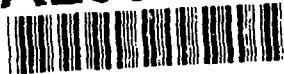


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# High Value/Low Visibility

Civil Agency Support for Desert Shield and Desert Storm

FE101R1

Patricia Insley Hutzler

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March 1992

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In many military operations, DoD relies on civil agencies of the Federal Government for assistance. In Operations Desert Shield and Desert Storm, the Departments of Commerce and Transportation, the General Services Administration, and the U.S. Postal Service provided DoD critical and substantial support. Also supporting DoD operations were the Departments of Agriculture and Energy and the Environmental Protection Agency. These agencies were able to provide the support DoD needed in a timely manner largely because they have well-developed crisis response capabilities, including existing internal policies, plans, and procedures for responding to a crisis and established mechanisms for coordination between the agency and DoD. These capabilities created the foundation for rapid and timely transition to crisis operations in Desert Shield. Desert Shield also demonstrated that creating and maintaining a staff experienced in crisis response was an important factor in permitting the agencies to make the transition from peacetime operations to crisis response and in sustaining the heightened operating tempo demanded by the operations.

This report examines the support provided by civil agencies to DoD during the Persian Gulf conflict and discusses agency peacetime and wartime responsibilities, actions taken by agencies to make the transition to the wartime operating tempo, agency and DoD coordination in Desert Shield and Desert Storm, and problems regarding the support relationship revealed through the Desert Shield/Storm experience. In addition to addressing resource and service support provided by the various agencies and the impact of the lapse of the Defense Production Act, the report discusses various special concerns of FEMA.

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## PREFACE

The study documented in this report, examining the support provided by civil agencies to the Department of Defense in Operation Desert Shield/Desert Storm, could not have been accomplished without the support and cooperation of people from the many departments and agencies interviewed. We would like to extend our sincere appreciation to the personnel of the Departments of Agriculture, Commerce, Defense, Energy, and Transportation and of the Environmental Protection Agency, the Federal Emergency Management Agency, the General Services Administration, and the U.S. Postal Service for their help in the conduct of the study.

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## **Executive Summary**

### **HIGH VALUE/LOW VISIBILITY - CIVIL AGENCY SUPPORT FOR DESERT SHIELD AND DESERT STORM**

In many military operations, DoD relies on civil agencies of the Federal Government for assistance. In Operations Desert Shield and Desert Storm, the Departments of Commerce and Transportation, the General Services Administration, and the U.S. Postal Service provided DoD critical and substantial support.

Those agencies were successful in supporting DoD's needs because they have well-developed crisis response capabilities. Each has existing internal policies, plans, and procedures for responding in a crisis and established mechanisms for coordination between the agency and DoD. These created the foundation for rapid and timely transition to crisis operations in Desert Shield. Desert Shield also demonstrated that creating and maintaining a staff experienced in crisis response was an important factor in permitting agencies to make the transition from peacetime operations to crisis response and in sustaining the heightened operating tempo demanded by the operations. Agency personnel gained this vital capability through actual experience in responding to natural disasters and supporting military operations, and through exercises, both before and during Desert Shield.

Although the civil agency support was successful overall, the Desert Shield experience did highlight the need for better understanding between DoD and the various agencies regarding priorities and information needs in a crisis, as well as support requirements. In particular, the timeliness of information and coordination between DoD and the civil agencies were issues.

An important mechanism permitting DoD to receive the support it needs from the civil sector, in both peacetime and during a crisis, has been the Defense Production Act (DPA). Alternative emergency authorities invoked during Desert Shield after the DPA lapsed are significantly more limited than the DPA. (They do, however, have the advantage of being contained in permanent legislation and thus

being less vulnerable to Congressional modification.) For both DoD and the civil agencies, the DPA is critical for effectively supporting DoD, providing a breadth of response options unmatched by the alternate authorities in the Selection Service Act.

From our assessment of civil agency support to DoD in Desert Shield/Desert Storm, it is clear that the full range of national security emergency preparedness response capabilities within the civil agencies must be maintained. Changes in the world situation, as well as changes in national security strategy and in DoD planning for the future, must be taken into account in civil agency planning for future crises. We recommend, therefore, that the Federal Emergency Management Agency assume the lead in taking the following steps:

- Assess the impact that changes in national security strategy will have on civil agency roles and support missions
- Examine the relationships between agency crisis response planning, reconstitution, and mobilization planning based on the Graduated Mobilization Response concept
- Examine the relationships among resource and claimant agencies regarding prioritization responsibilities and related emergency authorities
- Ensure timely information exchange and coordination between the civil agencies and DoD in a crisis
- Explore options for improving and/or expanding civil agency and DoD exercising of crisis response coordination mechanisms
- Explore options for increasing the use and effectiveness of the Policy Coordinating Committee as an interagency forum for improving interagency understanding in peacetime and for sharing agency concerns in a crisis.

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## **CHAPTER 1**

### **INTRODUCTION**

The Federal Emergency Management Agency (FEMA) is charged with coordinating and supporting the initiation, development, and implementation of crisis response programs and plans in the civil agencies<sup>1</sup> of the Federal Government. The agency takes the lead in testing and evaluating those capabilities, primarily through interagency exercises. Operations Desert Shield and Desert Storm were the first occasions to use some of the agencies' crisis response procedures in an actual crisis. In its role of emergency coordinator, FEMA is interested in determining how well the agencies' crisis response mechanisms functioned and what improvements, if any, are needed. Additionally, FEMA is concerned with ensuring that the correct lessons are learned from the Desert Shield experience regarding the magnitude of DoD dependence on the civil agencies and the coordination required to achieve the needed support.

To address those concerns, FEMA asked the Logistics Management Institute (LMI) to assess the effectiveness of civil agency support to DoD during the Persian Gulf war, focusing on the following tasks:

- Identify the kinds of support that the civil agencies provided to DoD
- Examine how well civil agencies were able to support DoD
- Determine whether there were actual or imminent problems in providing support
- Examine the impact of loss of the Defense Production Act (DPA) on the civil agencies' ability to support DoD
- Identify and consider issues of special concern to FEMA, such as FEMA's perceived role in Desert Shield/Desert Storm, the use of the Graduated Mobilization Response (GMR) concept in Desert Shield/Desert Storm, the effectiveness of the Policy Coordinating Committee as an interagency forum, and the contrast between past exercises and reality.

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<sup>1</sup>"Civil agencies" refers to both Departments and agencies of the Federal Government other than DoD.

This report documents LMI's assessment of the civil agency support provided to DoD during Desert Shield/Desert Storm.<sup>2</sup> An overview of the civil agency support to DoD during the Persian Gulf conflict is given in Chapter 2. Details of the resource and service support provided are treated in Chapters 3 and 4. The impact of the loss of the DPA authorities and the adequacy of the alternative emergency authorities are discussed in Chapter 5. FEMA's special concerns are addressed in Chapter 6, and our conclusions and recommendations are presented in Chapter 7. The Appendix lists the important dates associated with Desert Shield and Desert Storm activities.

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<sup>2</sup>For the remainder of this report, "Desert Shield" will generally be used to refer to both Operations Desert Shield and Desert Storm.

## **CHAPTER 2**

### **OVERVIEW OF CIVIL AGENCY SUPPORT**

The other Federal Departments and agencies have certain responsibilities for supporting DoD in a crisis. They may become involved in facilitating the acquisition of goods, services, personnel, and other resources from the private sector; providing specialized service support to DoD; or assisting DoD in resolving regulatory problems affecting its operations.

Several civil agencies provided special – and, in some cases substantial – support to DoD in Desert Shield: the Departments of Agriculture (USDA), Commerce (DoC), Energy (DoE), and Transportation (DoT); the General Services Administration (GSA); the U.S. Postal Service (USPS); and the Environmental Protection Agency (EPA). While this support gained little visibility outside of the immediate specialized communities receiving it, it was of vital importance. The ability to provide such assistance will continue to be important in the future.

In discussing the civil agencies, it is important to recognize that these organizations are not a homogeneous group. Each agency provides a particular type of support and has developed a unique planning and operational relationship with DoD. The type of support provided determined the degree to which each agency was called upon to support DoD in Desert Shield. In some cases, support was at a level of intensity far different from that previously envisioned.

During the past 10 years, DoD and the civil agencies have invested substantial resources in developing and testing crisis response capabilities for use in emergencies or as otherwise determined by the National Command Authority. Desert Shield was the first time some of those policies and procedures have actually been used. It provides, therefore, an important source of information and experience for assessing how well efforts to develop crisis response mechanisms have succeeded.

## GENERAL FINDINGS

There are several general findings applicable to the civil agencies supporting DoD in Desert Shield. These are covered in more detail in Chapters 3 and 4.

- The agencies were largely successful in providing the support required by DoD. Crisis response mechanisms – policies, procedures, plans, staff organization – while not initially tailored to a Desert Shield scenario, were modified as needed to respond to the demands of the crisis.
- Agencies had sufficient resources to meet DoD's needs for the duration of the Persian Gulf war, and, with a few exceptions, could have carried on much longer.
- DoD/agency crisis coordination mechanisms generally worked well on a day-to-day basis. However, DoD's uncertainty regarding its emerging needs, and the pressure to respond rapidly to the needs of the crisis, resulted in some breakdowns in interdepartmental communications.

### Reasons for Success

Several factors contributed to the overall success of the civil agencies' support.

*Relationships between agency and DoD personnel* were critical in establishing and maintaining smooth operations between and among organizations during Desert Shield. The agency and DoD crisis response personnel were usually the same people who interacted regularly before the conflict. Established relationships between individuals and familiarity with how individuals and organizations operated created a sense of understanding and were the lubricant that kept the crisis response mechanism operating.

*Familiarity with the agency's crisis response role, policies, and procedures* provided the basis for rapid transition to a crisis response mode both at the headquarters and in the regional offices. The agencies providing resource or service support to DoD (DoC, DoE, DoT, EPA, GSA, USPS, and USDA) usually had conducted exercise programs before or during Desert Shield and/or were tasked with clearly defined disaster preparedness responsibilities. Such experience resulted in staffs having increased familiarity with their agency crisis response operations. People were better able to develop solutions to problems as they emerged. For the most part, this meant that it was not a question of whether a problem could be solved, but rather how long doing so would take.

Through peacetime operations and specialized exercises, agency personnel developed *familiarity with DoD operations, needs, and issues*. This familiarity provided the foundation of understanding for communicating DoD needs to the agencies and allowing the agencies to do contingency planning to help DoD define support requirements.

*Crisis response management structures* were created in several agencies to separately handle DoD support needs during Desert Shield. Ad hoc working groups were convened to work major issues as they emerged. Several agencies identified a key individual as the troubleshooter, acting as the central point of contact for coordinating emergency operations.

Several agencies adopted *conventions for increasing effective communications* between the civil sector, the agency, and relevant DoD organizations. Regularly scheduled conference calls and telephone hot lines were two strategies used by organizations to help identify problems and develop solutions. Faxes, STU-III secure phones, and cellular phones were also used to reduce delays in coordinating agency activities.

Agency personnel and organizations effectively made the *transition from normal peacetime operations to a crisis response mode* in reaction to evolving DoD needs. For many agencies, that transition included extending operating hours, adding personnel, convening special working groups, giving key personnel additional responsibilities, invoking emergency operational and administrative procedures, activating crisis action centers, and scheduling additional briefings for Department principals. Whenever practical, procedures were streamlined to allow the expeditious handling of problems.

## **Critical Issues**

Two critical issues for the agencies were the availability of

- DoD estimates of support needs early in the crisis
- Status information during the crisis.

From the agency perspective, the earlier DoD could identify requirements for support, the better the agency could provide it. In some cases, such as activation of the Civil Reserve Air Fleet (CRAF), DoD needs technical information in order to administer required insurance programs, and time to initiate the program. DoD's

uncertainty regarding its future requirements for a particular category of support was frequently very difficult for the civil agencies to understand or accept.

The degree of dissatisfaction among the civil agencies regarding the availability of status information depended somewhat on the particular office's role within an agency. Planners tended to rely on general sources of information, such as the FEMA Civil Situation Report and staff briefings, to keep apprised of the situation. Offices with operational responsibilities tended to rely on direct contact with their counterpart DoD organizations or on DoD-generated situation reports.

The availability of DoD-generated situation reports influenced the sense of reliability that agency personnel had regarding DoD statements of requirements. To the extent that status information became less available and DoD uncertainty regarding future needs for support was evidenced, agency trust in DoD openness wavered.

Finally, a fundamental question underlying the basic relationships between the civil agencies and DoD is the question of whether the agencies should be passive or proactive in ascertaining and supporting DoD needs. Contributing to this situation are basic differences between DoD and the civil agencies regarding mission priorities.

The agencies' missions are to support both civilian and military needs, in peacetime and during crises. They tend to believe that DoD does not appreciate their dual responsibilities. There is a frequently stated belief that DoD organizations know more than they are telling, and that DoD fails to appreciate the position of the civil agencies and their need for timely information.

DoD's mission is to fight the war. Supporting its military forces during a conflict is a primary responsibility of the Department. Although this position is not held universally, many in DoD tend to see the agency missions during a crisis as primarily supportive of DoD. From the DoD perspective, defense needs should supersede all other needs – the defense mission is *the* national priority and the agencies should stand by in case their support is needed.

There are also misconceptions among the agencies about the availability within DoD of accurate data regarding DoD needs in a crisis. In Desert Shield, detailed information on DoD deployment plans and requirements was closely held. DoD organizations interfacing with civil agencies did not themselves always have timely

information and, therefore, could not inform civil agencies of emerging needs. Delays in providing detailed information on DoD needs may also have been due to difficulty in developing requirements estimates, rather than due to a reluctance by DoD to share the information with the agencies.

These very different perspectives pervaded the relationship between DoD and the civil agencies and in some cases influenced the interactions between them in this operation.

## **SUMMARY OF TYPES OF SUPPORT**

The civil agencies provide a variety of types of support to DoD in a crisis. Before discussing specific Desert Shield activities, it is useful to distinguish between the two main categories of support: resources and services.

Certain Federal organizations – the Department of the Interior (DoI), the Department of Labor (DoL), USDA, DoC, DoE, DoT, and GSA – help DoD obtain various resources from the civil sector. They become involved when normal acquisition approaches are insufficient. These agencies and FEMA are also responsible for balancing civilian and military needs. A most important instrument for doing this has been the Defense Production Act of 1950, as amended. Additional important emergency resource authorities include the Selective Service Act of 1948 and the Merchant Marine Act of 1936.

Other Federal organizations furnish services to DoD rather than arranging for the acquisition of resources. Many Departments and agencies can be called upon to provide service support in a crisis. However, the scenario that evolved in Desert Shield resulted in only the USPS, the U.S. Coast Guard (USCG), and USDA being involved in that way. EPA has been included as a service provider for the purpose of this study because it helped resolve environmental issues during the conflict.

Table 2-1 lists the Federal Departments and agencies with national security preparedness responsibilities as defined in Executive Order (EO) 12656, "Assignment of Emergency Preparedness Responsibilities." An asterisk (\*) indicates those organizations included in the present study.

The focus of this study has been on civil agency support of DoD resource needs. Not all of the departments with resource support responsibilities actively participated in Desert Shield. For example, DoL could be expected to have a critical

**TABLE 2-1**

**ORGANIZATIONS WITH NATIONAL SECURITY EMERGENCY  
PREPAREDNESS RESPONSIBILITIES**

<b>Departments</b>	<b>Agencies</b>
Agriculture*	Environmental Protection Agency*
Commerce*	Federal Emergency Management Agency*
Defense*	General Services Administration*
Education	National Aeronautics and Space Administration
Energy*	National Archives and Records Administration
Health and Human Services	National Communications System
Housing and Urban Development	Nuclear Regulatory Commission
Interior	Office of Management and Budget
Justice	Office of Personnel Management
Labor	Selective Service System
State	Tennessee Valley Authority
Transportation*	U.S. Information Agency
Treasury	United States Postal Service*
	Veterans Administration

role in supporting DoD's personnel needs in a major mobilization, as well as balancing military and civil sector manpower requirements should major elements of the economy be surged. Neither of those cases occurred in Desert Shield. DoL had only a peripheral role in the effort (e.g., distributing information on needed supplies and services to contractors interested in the Kuwaiti reconstruction).

While the crisis response role of most of the civil agencies is seldom publicized, they provided substantial support to DoD in this crisis. Both GSA and the USPS have been highlighted in our assessment because of the vital support provided and the lessons to be learned from the agencies' experience.

The particular role of each agency in supporting Desert Shield is discussed in the following two chapters in terms of the overall category of support provided – resource or service – and the specific area of support.



## **CHAPTER 3**

### **RESOURCE SUPPORT IN DESERT SHIELD**

DoD operation plans may explicitly or implicitly require support from the civil sector and from related civil agencies in order to be executed successfully. During Desert Shield, civil agencies supported DoD primarily in the acquisition of transportation assets and materiel. The availability of abundant fuel resources through host nation support reduced DoD's reliance on domestic sources of energy products.

#### **TRANSPORTATION**

Transportation was the major type of coordinated civil sector support provided to DoD during Desert Shield. Overall, the support provided by the various parts of DoT participating in Desert Shield vividly illustrates the benefit of having well-established peacetime relationships between civil agencies and DoD. Aspects of transportation support discussed here are airlift, sealift, and port operations.

Longstanding relationships among the Federal Aviation Administration (FAA), the Military Traffic Management Command (MTMC), and the Military Airlift Command (MAC) for airlift; and among the Maritime Administration (MARAD), the USCG, and the Military Sealift Command (MSC) for sealift, created the basis for providing the extraordinary lift support to Desert Shield. The National Port Readiness Network (NPRN) provided the mechanism for coordinating seaport operations.

Civilian and Government airlift and sealift resources were used extensively during the Persian Gulf war. Port operations in some parts of the United States were affected by Desert Shield, particularly in those ports close to the home bases of deploying forces. Domestic ground transportation resources – highways and railroads – were burdened in limited geographic areas, but overall these resources were not taxed to capacity.

DoT's Office of Emergency Transportation (OET) is responsible for overall coordination of the Department's activities in support of DoD. During Desert Shield, OET initiated such key crisis response actions as:

- Activation of the crisis action center
- Institution of special status briefings for the Secretary's staff and headquarters planning organizations
- Identification of a primary point of contact for DoT Desert Shield activities in the crisis action center.

Weekly, and for certain periods, daily briefings were held in response to DoT's changing level of involvement in Desert Shield activities. The crisis action center was activated and staffed, at times around the clock, to support coordination of DoT activities. OET's level of involvement was primarily that necessary for monitoring the situation, coordinating policy both internally and with other agencies, and participating as needed in the activation of certain programs. That level of participation did not tax the organization to the limits of its capability, although key personnel were called on at times to work for more extended periods than normal.

OET also maintained close links with the DoT operational administrations directly involved in supporting DoD: the FAA, MARAD, and the USCG. Representatives of the Federal Highway Administration and the Federal Railroad Administration attended the staff briefings, although neither administration was called on to provide support in the crisis.

## **Airlift**

### ***Department of Transportation Responsibilities***

The FAA is the organization within DoT responsible for supporting DoD airlift requirements and related operations.<sup>1</sup> In Desert Shield, FAA activities included management oversight for air traffic control, airport safety and security, aircraft certification and safety inspections, hazardous material (HAZMAT) transportation coordination, Title XIII air carrier insurance, coordination of airport operations in

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<sup>1</sup>The discussion of each civil agency's support to DoD in Desert Shield is in the following format:

- The agency's crisis responsibilities
- Actions taken to make the transition to a wartime operational mode during Desert Shield
- Agency coordination with DoD
- Issues and problems.

support of Desert Shield, support to the CRAF program through DoT's DPA authority, facilitation of tactical air deployments, and support to noncombatant evacuation operations.

### ***Department of Transportation Transition Actions***

Early in the crisis, the FAA initiated steps to make the transition from its regular peacetime operations to a Desert Shield-support mode. Within the office of the emergency coordinator, a single individual was appointed as primary point of contact, responsible for overall coordination of FAA crisis response activities. This approach, used by other agencies as well as by the FAA, streamlined the management process and minimized confusion regarding policy and operations decisions.

A senior-level policy steering committee and an operational-level crisis response working group were convened to address policy and operations issues as they emerged. While these groups had met previously, they had not been involved in mobility exercises before Desert Shield.

A series of regularly scheduled telephone conference calls was established to handle emerging operational issues. These calls involved representatives from the air carriers, the FAA crisis response working group, and MAC, and any other specialists necessary to resolve the problem. The purpose of the calls was to minimize delays in identifying problems and developing solutions.

Carriers were encouraged to identify not only problems but solutions, whether those solutions were considered acceptable or not. These calls were on a "no fault" basis for the carriers, as long as it was clear that they were doing the best they could to meet the needs of the crisis and maintain safety standards, and that those solutions deemed inappropriate were on a single-use basis only. The need to extend the 30-day flight time limits was one of the important issues initially identified through these calls.

As part of its efforts to review potential issues and develop possible solutions to support potential DoD needs, the FAA conducted a series of table-top exercises. The focus of these exercises was on familiarizing FAA and other DoT personnel with their roles and responsibilities should CRAF Stages II and III be activated, or should the War Air Service Program (WASP) be initiated. Identifying potential problems

associated with activating these programs was also a major concern. Other exercises conducted by the FAA included a hijack exercise.

Increased attention was given throughout the crisis to the potential for terrorist actions. Physical security measures were increased at FAA facilities, airports, and with U.S. carriers. Key assets were identified, and the FAA readiness level was increased. Security was evaluated at major domestic and international airports, and contingency plans for U.S. airports were reviewed. Special inspections of U.S. airports and of U.S. air carriers operating overseas were conducted. Meetings and briefings were held with the Federal Bureau of Investigation, the Department of State, the USPS, air carriers, airport representatives, and congressional staff members to discuss intelligence and security matters.

FAA regional organizations were advised of increased activities and support needs resulting from transportation demands created by the crisis. FAA personnel worked closely with MAC to expedite DoD support flights by civil air carriers, and to support the deployment of tactical air units flying over the United States on the way to the Persian Gulf.

The actual nature of FAA activities departed little from daily operations. Desert Shield created a more intensive workload with some new problems, but operations were largely within FAA's normal realm of activities. Having established the mechanisms for managing FAA's response in Desert Shield, the organization was capable of continuing to provide a certain level of support as long as DoD needs continued. While some individuals were stressed through prolonged periods of heavy workloads, the overall system was sufficiently robust to support the needs of the crisis.

#### ***Department of Transportation Special Actions***

FAA handled a wide variety of issues in support of DoD Desert Shield operations. Several stand out as major concerns: transportation of HAZMAT, waivers for extending flying times, Title XIII air carrier insurance, and energy support for the CRAF program.

***Hazardous Material Transportation.*** HAZMAT is transported regularly by means of our national transportation system. In Desert Shield, HAZMAT transportation requirements and the problems associated with them proved to

be far greater than expected. Major problems stemmed from the need to transport HAZMAT on civilian aircraft and through civilian airports.

While policies and some procedures existed regarding the certification process for carriers and airports, only limited efforts had been made to implement them on a broad basis. Normally, DoD transports or arranges for transportation of most of its HAZMAT, and there is little need to look beyond already experienced and certified carriers and airports. But in Desert Shield, the tremendous quantities of munitions required to be transported to the theater very rapidly resulted in the need to use other air carriers. Desert Shield HAZMAT was transported through three airports – Dover AFB, Delaware; McGuire AFB, New Jersey; and the civil airport at Bangor, Maine.

Aircraft in the CRAF program as well as volunteer aircraft carried HAZMAT. Not all of those carriers were familiar with the procedures for operating under such circumstances. Policy dictates that a DoD representative be on board all flights carrying DoD HAZMAT unless the carrier has an FAA-certified HAZMAT program. Only six carriers were fully certified to carry the material and did not require a DoD representative. Several carriers refused to carry HAZMAT; however, there was sufficient capacity to transport the required material. Driven by the operational needs of the situation, alternative policies were established.

The U.S. Air Force was tasked to work with airports to prepare for HAZMAT operations. Before Desert Shield only two airports had developed plans for such operations: Tacoma, Washington, and Baltimore-Washington International Airport, Maryland. The increased flow of HAZMAT required expansion of this capacity, particularly following an incident in which HAZMAT inadvertently arrived at JFK International Airport in New York.

As indicated, policies and procedures for certifying airports to handle HAZMAT existed but had never been fully developed or implemented. While most airports resisted the expansion of their responsibilities into this area, the Bangor, Maine airport was amenable. Intensive coordination between the FAA, DoT's Research and Special Programs Administration (RSPA), the Office of the Secretary of Defense (OSD), and a local reserve unit resulted in the airport's developing a plan, training personnel, and creating the basic capability to handle HAZMAT operations.

Efforts to resolve the problems discovered during Desert Shield and to improve the national capability to transport HAZMAT continue to be carried on.

**Waivers.** The FAA is responsible for setting and maintaining the aircraft certification process and overseeing commercial air carrier operations. Standards are established for crew flying hours and aircraft flying hours. Desert Shield involved distances far greater than those envisioned in most previous planning, which had focused on Europe. CRAF flights (including the volunteer aircraft which MAC incorporated in the CRAF program following the start of Desert Shield) lasted much longer than planned. Flights returned to Europe in order to eliminate the need for the air carriers to stage aircrews in the theater of operations. As a result, flying hour limits for crews and aircraft and time intervals between aircraft maintenance inspections were reached much sooner than in normal operations.

Part of the problem encountered by the FAA and MAC regarding waivers is that while precoordinated waivers covering many of the circumstances in Desert Shield existed, they were tied to activation of CRAF III. In planning and exercises, CRAF II usually has been considered as only an intermediate stage on the way to CRAF III. Desert Shield did not require CRAF III, and CRAF II was not activated until mid-January 1991. The large numbers of volunteer aircraft offered for MAC charter by the commercial air carriers obviated the need for CRAF II until the actual start of Desert Storm. For the purpose of maintaining the airlift flow, selected flying hour limits were extended through waivers.

In addition to issuing waivers, the FAA issues advisories regarding civil air transportation. As part of its effort to prevent possible terrorist acts, the agency established a screening requirement for all mail exceeding a certain weight. As noted in the discussion of mail processing and distribution in Chapter 4, this requirement had significant repercussions for the civil sector.

**Title XIII War Risk Insurance.** Provision of war risk insurance to carriers supporting MAC operations was one of the most critical problems confronting DoT in Desert Shield. Title XIII war risk insurance is an FAA-managed program by means of which air carriers supporting DoD operations in conditions under which their own commercially underwritten insurance is void, or becomes cost prohibitive, can obtain coverage for specific flights through DoT.

The program existed before Desert Shield. However, given its nature, coverage had been managed on a case-by-case basis. There had never been a situation, either actual or simulated in exercises, in which the program had been managed on the wholesale basis required by Desert Shield, largely because the Title XIII insurance program supports the CRAF, and the CRAF had never been activated before Desert Shield. Associated use of the war risk insurance program had not been included in exercises.

As a result, experience in managing Title XIII cases was very limited before Desert Shield. The program was designed to provide premium or nonpremium insurance coverage for each portion of a flight meeting certain operational criteria. The Desert Shield experience rapidly demonstrated that the criteria for determining allowable missions were far too restrictive, prohibiting coverage for many flights that were actually supporting DoD.

The terms, policies, and procedures involved in establishing coverage and managing the program underwent an overhaul as the crisis evolved. DoT, MAC, and the carriers experienced a steep learning curve in their effort to modify the program to fit the needs of the conflict. Initially FAA required detailed data on each mission and aircraft, and insurance was provided for each flight. As the variety and configuration of the missions changed, as carriers substituted similar aircraft not previously registered with DoT and MAC, and as the demand for timely airlift operations increased, the data demands were revised and the policies were changed to insure carriers on a weekly and then on an indefinite basis.

As a result of the Desert Shield experience with Title XIII insurance, efforts are under way between DoT and DoD to revise this program to make it more flexible and supportive of the needs of a major deployment.

**Energy Support.** Energy resources were abundant in the theater, as a result of host nation support arrangements. Domestically, however, the large number of civil aircraft flights supporting the conflict had the potential for depleting fuel assets at the supporting airports, necessitating close FAA management of the fuel status of strategic airports. While MAC charter flights can be scheduled relatively quickly, it takes up to 2 weeks to modify the schedules for airport fuel deliveries. Thus airports supporting MAC charter flights could have developed fuel shortages and could have been unable to support their regularly scheduled flights.

In an effort to address this problem, a memorandum of understanding (MOU) between FAA and DoE was prepared allowing the prioritization of energy products for CRAF operations in the event of fuel shortages. This prioritization would be allowed through DoE's DPA authorities and following the lapse of the DPA, through EO 12742, "National Security Industrial Responsiveness." Since there were no actual fuel shortages, this authority was not used in Desert Shield.

#### ***Department of Transportation/Department of Defense Coordination***

DoT coordinates with DoD on airlift at two levels. OET coordinates with OSD on transportation policy involving the civil sector – specifically on airlift, sealift, port (airport and seaport) operations, and ground transportation issues. Memorandums of agreement (MOAs) and MOUs are developed for these operations, in coordination with the functional organizations – the FAA, MARAD, and the USCG in DoT, and the U.S. Transportation Command (USTRANSCOM) MAC, MSC, and MTMC in DoD.

Additionally, when needed, the RSPA coordinates with OSD organizations on various issues. Two such issues during Desert Shield were the management of HAZMAT control and the interagency coordination on the lapse of the DPA and the drafting of EO 12742, which is discussed in Chapter 5.

Operational coordination occurs between the administrations of DoT – the FAA, MARAD, and the USCG – and the modal management organizations within DoD. No direct communication occurs between DoT and the Joint Staff or between DoT and the theater commanders.

These communication and coordination relationships are well established and operate continuously, regardless of whether DoD is involved in a crisis. Policies and procedures are tested and plans are developed and exercised with the participation of the various organizations. However, Desert Shield demonstrated that implementing rarely used policies and programs (e.g., Title XIII insurance) is actually much more difficult than exercises would lead organizations to expect.

In addition to the DoT/DoD coordination, the FAA worked closely with DoE on the issue of fuel availability and priorities, with DoC on the use of the Defense Priorities and Allocations System (DPAS), with the Department of State on the



repatriation of evacuated American citizens from the region, and also worked with FEMA.

### ***Issues***

The FAA was successful in supporting the needs of DoD and other Federal agencies in Desert Shield. There were, however, some areas of concern to FAA specifically regarding communications and coordination.

DoD takes the lead in defining CRAF program aircraft requirements, with the support of OET and the FAA. DoT is responsible for allocating aircraft in the three CRAF stages on the basis of DoD needs and those of the rest of the Federal Government. DoT maintains detailed records of aircraft in the program, primarily to ensure that balance between military and civilian commitments is maintained by participating air carriers. As noted above, insurance programs initially required detailed information on aircraft and their missions.

A key DoT concern in supporting DoD airlift requirements is understanding the status of DoD needs. The FAA, OET, and RSPA communicate directly with MAC and OSD. Information is also obtained to a more limited extent through the FEMA Civil Situation Report (SITREP). In exercises, OET (through its crisis action center) and the FAA have direct access to selected DoD situation reports and related transportation status information, allowing the DoT transportation planners to monitor the situation and prepare in case DoD should identify additional requirements.

At the beginning of Desert Shield, no DoT organization had access to DoD-generated transportation status reports. This lack of information is important for two reasons. First, it seriously impaired DoT efforts to perform contingency planning in support of DoD. Second, it undermined the sense of cooperation that had been established through extensive exercises and daily contact. There was great confusion as to why DoT was no longer able to receive the information, because this aspect of the coordination process had been a standard part of exercises. After much effort, OET was able to receive some status information, but the FAA was never reinstated as an addressee.

In defining requirements, MAC coordinates with USTRANSCOM and the Joint Staff. Through OSD, the Joint Staff requests approval from the Secretary of Defense

for certain requests, such as activation of CRAF II. OSD then formally conveys the DoD requirements to DoT.

In the case of CRAF I and II, DoD has authority to activate the program. DoT has only a very limited role in the actual activation of these stages, although it must monitor the situation in its capacity as allocator. The DoD-DoT communication chain broke down with regard to the activation of both CRAF stages in Desert Shield. This breakdown appears to be largely attributable to the process by which DoD requested the augmentation, particularly for CRAF Stage II.

Although the FAA was fully aware that CRAF II might be activated, in the period before the start of Desert Storm on 16 January 1991, DoD had managed its airlift needs to forestall the need to activate this stage. Thus the FAA was left with great uncertainty as to whether CRAF II would be necessary or whether instead the large numbers of aircraft volunteered for MAC charter by air carriers would be sufficient. MAC could not assure the FAA regarding DoD future needs because of the uncertainty of the projected lift requirements.

Immediately before the start of Desert Storm, USTRANSCOM determined – without the benefit of a full MAC transportation assessment – that CRAF II would be needed. This request was expedited through OSD, with the result that the decision was made before the FAA could be given any warning. The FAA, having been given little warning of the earlier activation of CRAF I, became very wary of relying on DoD for timely information on future CRAF plans.

Internally, the FAA has undertaken a number of efforts to incorporate the lessons learned from Desert Shield in its emergency operations system. Selected MOUs and MOAs are being revised to reflect the lessons learned from the Desert Shield experience, as are crisis management procedures and plans.

## **Sealift**

Sealift was a major source of transportation in Desert Shield. Using a variety of sources, almost 3.5 million short tons of dry cargo (approximately 87 percent of the total) had been shipped by sea to the Persian Gulf area as of 10 March 1991 to support Desert Shield and Desert Storm operations. Most of this cargo was shipped using Ready Reserve Force (RRF) ships, U.S. flag commercial ships operating under the Special Middle East Shipping Agreement (SMEGA), and ships chartered from U.S.

operators and foreign sources. Supplementing these were specialized elements of sealift including the Maritime Prepositioned Ships (MPS), the Afloat Prepositioned Force (APF), and the Fast Sealift Ships (FSS).

Although the Sealift Readiness Program (SRP), involving 132 deepwater ships, was in place, it was not activated for Desert Shield because the program did not adequately provide the necessary services and vessels.<sup>2</sup> However, many of the SRP ships were of use, and these were secured through charters and by other means. Fifty of the SRP vessels were used during the initial surge phase of Desert Shield, while another 63 vessels, mainly container ships, were used under the SMESA. In other words, taking into account both the surge and the sustainment phases, 113 out of the total of 132 SRP vessels were employed to support Operations Desert Shield, Desert Storm, and subsequent related activities.

### ***Maritime Administration Responsibilities***

The Maritime Administration (MARAD) is responsible for providing a variety of support involving sealift and seaport operations. Among the emergency activities calling for MARAD participation are shipbuilding and repair of commercial ships, prioritization of port facilities and berthing, activation of the Voluntary Tanker Agreements, activation of the RRF, and issuance of Title XII War Risk Insurance. MARAD would have been responsible for ship requisitioning had sealift resources not been able to be obtained through voluntary procedures. In Desert Shield, MARAD efforts were focused on activation of the RRF and issuance of Title XII war risk Insurance.

The amount of time available to build up the allied presence in the theater before the start of Desert Storm, the availability of substantial allied sealift support and in-theater host nation fuel support (reducing the need for U.S.-provided tankers to transport bulk fuels to the theater), the limited need for resupply, and the short duration of the actual warfighting – all contributed to limiting the need for broad-based MARAD involvement.

MARAD organizations supporting Desert Shield were primarily those responsible for activating the RRF, for helping to secure civilian mariners for U.S. flag ships carrying cargoes to the Gulf region, and for issuing Title XII war risk

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<sup>2</sup>See LMI Report PL023R1, *Review of DoD's Strategic Mobility Programs – Commercial Sealift Support*, January 1992.

insurance. The Office of National Security Plans monitored these activities, preparing daily situation reports for OET.

**Activation of the RRF.** The RRF carried approximately 750,000 short tons of dry cargo in support of and following the Persian Gulf operation. Through the efforts of DoD (Department of the Navy, MSC, the Joint Staff, USTRANSCOM, and OSD) and DoT (OET, MARAD), 78 of the 96 ships of the RRF were activated. Desert Shield was the largest activation of this force since its creation in 1976 as a component of the National Defense Reserve Fleet (NDRF).

Activation of the RRF occurred in essentially two phases. The first involved 44 ships activated between 10 August and 21 September 1990. A second phase, involving an additional 27 ships took place between 4 December 1990 and 5 February 1991. In addition to the ships activated during these two periods, 7 other ships in the force were also activated to bring the total to 78. Ships were activated from various domestic anchorages.

**Title XII War Risk Insurance.** DoT is authorized under the Merchant Marine Act of 1936 to issue, under certain circumstances, special war risk insurance to vessels in the employ of DoD. The Title XII insurance provides four categories of coverage: ship, crew, third party liability, and cargo.

This insurance supplements commercially underwritten maritime war risk insurance carried by operators at all times. Similar to the Title XIII airlift insurance discussed previously, Title XII sealift insurance is intended to provide continuous insurance coverage for commercial operators for those segments of missions for which commercially provided war risk insurance would be unavailable or cost prohibitive. The DoT insurance allows those MSC-employed vessels – U.S.-owned and foreign-flag – supporting DoD operations to continue to operate while in war risk areas.

In Desert Shield, MARAD insured 388 vessels under the Title XII insurance program, including the MPS fleet at Diego Garcia in the Indian Ocean, other U.S.-chartered ships, foreign-flag ships, and those ships covered under the SMESA arrangements. These were nonpremium policies, with each vessel covered without charge for the portion of the trip in the designated high-risk area. DoD, through MSC, assumed liability for reimbursing DoT should any claims be made under these

policies. When the ships were not operating in the high-risk area, commercially underwritten insurance policies automatically resumed.

In addition to the Title XII nonpremium war risk insurance, DoT also separately wrote four premium policies for vessels operating in the area in purely commercial ventures. While these vessels were not directly supporting DoD operations in war risk areas, commercial underwriters were still charging exorbitant rates for insurance, threatening the ability of the operators to continue shipping in the area. MARAD intervened in order to inject a more competitive rate into what is a very narrow insurance market. These policies were covered through a revolving premium insurance fund underwritten by DoT.

### ***Maritime Administration Transition Actions***

Not all of MARAD was required to make the transition to crisis response operations during Desert Shield. The Office of the Administrator; the Office of Ship Operations – in charge of RRF activation; the Office of Trade Analysis and Insurance, responsible for Title XII Insurance; and, to a lesser extent, the Office of National Security Plans were the primary organizations involved in MARAD's Desert Shield activities.

***RRF Activation.*** MARAD's emergency operations center was the focal point for managing the RRF activation. It was staffed around the clock throughout the activation phases, primarily by members of the Office of Ship Operations.

Activation of the RRF in the numbers required by Desert Shield challenged the resources not only of MARAD, but also of the USCG, which certifies the activated ships; the ship operators responsible for operating and manning the ships; the ship managers responsible for overseeing the individual ship activations; and the various shipyards and merchant seaman unions.

Despite the number of ships involved, MARAD activities in Desert Shield were largely extensions of daily responsibilities, rendering the transition to crisis response more manageable. Well-established liaison relationships exist between DoD and MARAD, facilitating this transition.

At the start of Desert Shield, MARAD activated its crisis response system to oversee RRF activation. Coordination took place through the DoT crisis action center

and by means of daily interactions with MSC operational organizations, shipyard facilities involved in the activations, and maritime labor unions.

After the initial activation of RRF vessels, and in order to support further RRF activations if needed, six-person teams of MARAD personnel and USCG inspectors visited fleet activation sites and outports, meeting with fleet activation personnel, ship managers, and operators. These teams took the lead in assembling the technical data needed for each ship activation, recommending solutions to problems associated with the activations and authorizing actions necessary to expedite the process. These recommendations were forwarded to MARAD, which worked with MSC, the labor unions, and other DoD organizations to resolve the problems.

Daily reports on the status of activations, as well as situation reports once RRF vessels became operational under MSC control, were provided to MARAD's Deputy Administrator. Additional sealift reports were prepared daily by the Office of National Security Plans for inclusion in OET's daily SITREP to FEMA. In addition, MARAD representatives participated in the senior staff briefings held throughout the crisis.

***Title XII War Risk Insurance.*** Activities involved in preparing to support the increased demand for DoT-provided insurance included renewing MARAD's emergency authority to write such policies and increasing the level of support provided by the American War Risk Agency.

MARAD's authority to write Title XII War Risk Insurance for sealift is similar to the FAA's authority to write Title XIII War Risk Insurance for CRAF carriers, in that it is delegated through an executive order for specific periods of time. For sealift, this authority comes from the Merchant Marine Act of 1936, with the executive order delegating the authority dating back to the Truman Administration.

Immediately following the invasion of Kuwait, it was determined that new, revised, and updated delegations of authority should be made to allow the FAA and MARAD, respectively, to write airlift and sealift war risk insurance policies in support of Desert Shield. Shortly before the invasion of Kuwait, the periodic extension of MARAD's authority had been made, for another 5-year period, but no effort had been made to modernize the authority: thus the need to revise the authority at the start of Desert Shield.

A primary factor in MARAD's ability to support the demand for insurance created by Desert Shield was the assistance provided by the American War Risk Agency, a subsidiary of the American Hull Syndicate, commercial underwriters of hull insurance. MARAD regularly retains the Agency on a consultative basis. This pre-existing relationship, permitting immediate access to a substantial pool of experienced personnel, allowed MARAD to make the transition rapidly to support Desert Shield requirements.

During Desert Shield, the Agency stepped in to augment the MARAD staff, providing specialized technical support in a variety of areas. The Agency was MARAD's primary source of expertise on contemporary commercial vessel insurance policies and programs. In its retainer capacity, the Agency administers MARAD's Binder Program and was, therefore, familiar with MARAD organizations and personnel, as well as with many of the vessels being chartered by MSC to support Desert Shield. As part of its support, the Agency advised MARAD on how best to revise and update its policies on coverage and programs.

An important area of Agency assistance involved updating the terms of the insurance policies being provided by MARAD and the procedures for issuing the policies. These policies were originally designed over 30 years ago, and they reflected the thinking of the time regarding insured values for hull coverage and crew life insurance. The amounts initially specified by the programs were so low as to make them unacceptable to operators. There was serious question whether crew members would man ships operating in war risk areas when their life insurance was not even equal to that provided for in peacetime operations. Protection and indemnity (P&I) insurance coverage was also unrealistically low in many cases.

During months of discussion between MARAD, MSC, and the operators, indemnification levels for seamen were raised incrementally to more acceptable levels, increasing from the original \$5,000 for seaman life insurance to \$150,000. A major breakthrough in the issuance of the hull policies was the adoption by MSC of a MARAD proposal to use the commercial war risk insured value of the vessel in effect on 1 August 1990. Adoption of this valuation methodology occurred at about the same time the President extended MARAD's war risk authority, on 20 August 1990. This methodology was viewed by both MSC and the ship owners as a fair, non-inflated value for the vessels for war risk purposes.

Third-party war risk liability coverage – P&I insurance – was also increased substantially over initial amounts. MSC initially instructed MARAD to write war risk P&I coverage in an amount representing 150 percent of the hull valuation, although the need for P&I protection was not directly related to the value of the vessel. This methodology could have resulted in unfair coverage determinations. After being urged to do so by MARAD and the companies providing the vessels, MSC modified its P&I coverage terms, initially increasing the minimum to \$10 million per vessel and eventually raising this figure to \$45 million per vessel.

In a separate action, MARAD, with the assistance of the American War Risk Agency, revised policies for vessel evaluation, the requirement for determining the value of a vessel before an insurance policy is issued. The pre-Desert Shield procedures required time-consuming independent assessments, totally unworkable in the context of an actual conflict. Revisions were made under which assessments that had been made for commercial insurance coverage were accepted in lieu of new assessments.

#### ***Department of Transportation/Department of Defense Coordination***

***RRF Activation.*** MARAD acts as the coordination interface for the RRF, in conjunction with the Navy (OP-42) and MSC. The RRF ships, when inactive, are managed and maintained by MARAD. When the RRF ships complete activation and enter operational status, DoD (MSC) assumes operational control of them. MARAD continues to manage the budgeting, maintenance, activation, deactivation, acquisition, and disposal of ships in the RRF.

During Desert Shield, coordination between MARAD and DoD on the definition and overall level of sealift requirements was impaired. A major problem for transportation planners was identifying DoD's requirements, which were very difficult to estimate and frequently changed dramatically. DoD's Joint Operation Planning and Execution System (JOPES) was not fully operational, with the data systems and personnel not fully prepared to support the execution needs of Desert Shield. (This problem also contributed to the difficulty in estimating airlift requirements.)

Requirements determination is the weakest link in the process. Many exceptions to normal transportation planning standards were made because of lack of certainty regarding specific needs. During Desert Shield, shipping overloads of all



kinds were experienced. For instance, fully loaded tanks (fuel and ammunition) rather than planned-for partially loaded ones were being transported. These kinds of overloads had a direct impact on carrying capacity and hull demands.

Despite these concerns, communication between the key organizations – MARAD, DoT, and DoD – was very effective, with improvements taking place as more of the normal procedures used in peacetime were incorporated in responding to Desert Shield needs.

***Title XII War Risk Insurance.*** MARAD also coordinated with MSC on the issue of war risk insurance. As the actual indemnifier of the MARAD-issued policies, MSC had to approve all terms and procedures for the coverage. Although the use of Title XII insurance had been very limited before Desert Shield, the cognizant organizations in MARAD and MSC have extensive peacetime working relationships involving other programs. This experience facilitated the resolution of war risk insurance-related problems.

However, confounding the management of issues was the need to work with multiple organizations within MSC. Various organizations handled various parts of the problem (i.e., different offices were responsible for charters, pre-positioned vessels, and SMESA). There was no insurance counterpart within MSC with which MARAD could coordinate on insurance issues, so as a practical matter, MARAD established a central point of contact in the MSC General Counsel's office.

### ***Issues***

***RRF Activation.*** Activation of the RRF involved implementation of procedures that, until then, had been used only in relatively few ship activations and under controlled or artificial circumstances during exercises. The limited pre-Desert Shield experience did not identify some of the problems that would arise when large numbers of ships were activated. While the RRF maintained an overall reliability rate of over 90 percent once tendered, breakouts of RRF vessels took longer than planned, and approximately 30 percent of the vessels missed their activation targets by 10 or more days.

Many of the RRF ships were unable to meet planned activation schedules because their readiness conditions were more degraded than had been anticipated. Ships in the program had undergone fewer test activations and subsequent sea trials

than planned for by MARAD and MSC. Additionally, DoD has tended to request the same ships for its exercise requirements repeatedly, with the result that only a small number of the total fleet had ever been activated. Of the 78 ships activated in Desert Shield, only 21 had been previously activated since entering the RRF.

Problems in manning ships activated to support a major deployment have long been recognized in mobilization planning. The Desert Shield experience validated the previous concerns. Over 1,400 licensed and unlicensed seamen were needed for the 44 RRF ships activated during Phase I to provide surge support in the fall of 1990. Efforts by the labor unions and MARAD, as well as temporary (liberalizing) policy changes made by the USCG, allowed the RRF ships to be manned adequately, but barely so. MARAD maintained a close working relationship with all labor unions during the crisis in order to respond to the need for mariners for activated RRF ships. It should be noted that the overall maritime manpower pool is projected to get steadily smaller, as the peacetime employment base in the U.S.-flag merchant fleet dwindles.

***Title XII War Risk Insurance.*** Desert Shield demonstrated that initially, the policies and procedures involved in providing sealift war risk insurance were not fully adequate to meet the needs of a major conflict. Various interim changes and grants of authority were made to facilitate support for the conflict. These changes are now being reviewed for more formal implementation.

MSC and MARAD are currently working to obtain standby Presidential authority for nonpremium insurance coverage. Before Desert Shield such authority existed, but it was through a 1950 Presidential delegation, granted by President Truman during the Korean War. In addition, no indemnification agreement between DoD and DoT, as required by the Merchant Marine Act of 1936, was in existence. As a result, MARAD and DoD had to seek Presidential authority on an emergency basis during the conflict, working out the details of the indemnification agreement as the conflict progressed.

While only four premium insurance policies were issued during Desert Shield, there was some concern regarding the adequacy of the premium insurance fund. Managed as a revolving fund by DoT, this has a balance of approximately \$20 million, less than would be required to cover the loss of one ship, let alone the four covered in Desert Shield.

## **Port Operations**

### ***Department of Transportation Responsibilities***

DoT, through MARAD's Office of Port Operations and Intermodal Development, has substantial responsibilities regarding the operations of ports in the United States. MARAD has three primary roles in port operations: crisis management, through the Federal Port Controllers program; interagency coordination, through the National Port Readiness Network; and allocation and prioritization, through the authority provided by the DPA and 46 Code of Federal Regulations (CFR) 340.

First, the *Federal Port Controller* (FPC) program is the contractual arrangement by which MARAD establishes port management in an emergency, by using a standby contract between the port authority and the National Shipping Authority (NSA). When activated in an emergency, the contract obligates the port authority to provide the managerial services of a Federal port controller. Normally, the port authority designates its senior professional official as the controller. During peacetime, all U.S. port authorities are entities of state or local governments. During a declared emergency, the controller becomes an agent of the Federal Government.

Second, the *National Port Readiness Network* (NPRN) is the mechanism that has been created for establishing interagency coordination on port operations policy between DoD and DoT at the national level, and among DoD, DoT, and port officials at the local level. Its membership consists of seven agencies: the Coast Guard and MARAD, representing DoT; and MTMC, MSC, Naval Control of Shipping (NCS), the Maritime Defense Zone, and the U.S. Army Corps of Engineers (USACE), representing DoD. The network has three main parts: the National Port Readiness Steering Group (NPRSG) and the National Port Readiness Working Group (NPRWG), which operate at the headquarters level, and the Port Readiness Committees (PRC), which operate at the local port level.

The PRCs have a core membership of the local representatives of the seven DoD and DoT agencies, as well as an ad hoc associate membership from various other local organizations. These committees form the foundation of the interagency coordination of port operations, acting as a forum for representatives to meet and learn each

other's responsibilities. The FPC represents the port authority and acts as MARAD's agent on the local PRC.

The third part of the MARAD emergency authority structure is ability to *prioritize and allocate port facilities, services, containers, and vessels*. This authority is provided through 46 CFR 340, under the auspices of the DPA. This authority is perceived to be the most critical of the three emergency authorities, since it provides MARAD the capability to gain control of facilities in a crisis. With the lapsing of the DPA, MARAD loses this authority.

This authority is important for three reasons:

- It establishes a system under which terminal owners and operators are made aware of the potential need for the Federal Government to have control of their assets in a crisis.
- It forces DoD to negotiate on a business-as-usual basis with the terminal owners rather than relying on emergency intervention, since DoD must demonstrate that serious efforts to acquire the use of the facilities by commercial means have been made, and DoD must justify the need for the intervention.
- It forces the terminal owner to negotiate in good faith because the authority under which the Government can step in and seize control, for as long as needed, hangs over his head as an ultimate threat.

In peacetime, the DPA is the basis of the authority under which MARAD issues Planning Orders identifying potential emergency requirements to owners. These requirements are based on the DoD traffic manager's (normally MTMC's) anticipated needs. DoD, either before or at the time of the crisis, must endeavor to obtain the use of the facilities by commercial means. If they cannot be obtained commercially, then DoD can turn to MARAD for assistance. MARAD is authorized to prioritize and allocate in order to require the owner to support DoD's needs.

In order to use this authority after DoD has been thwarted in attempts to obtain facilities through established commercial channels, the Maritime Administrator is required to determine that:

- The action is necessary to meet national defense requirements
- The proposed approach conforms to Secretarial guidance
- The approach is the most effective

- The arrangements satisfy DoD's requirement with minimum disruption to commercial activities.

### ***Department of Transportation Transition Actions***

Not all of the major ports in the United States were called on to support Desert Shield operations actively. The ports supporting them tended to be those closest to the home stations from which forces were deploying.

For the six major commercial ports supporting Desert Shield operations – Beaumont and Houston, Texas; Jacksonville, Florida; Savannah, Georgia; Charleston, South Carolina; and Wilmington, North Carolina – MARAD improved secure communications by providing STU-III secure telephones to the port directors.

At the headquarters, MARAD Port Operations personnel moved to the MARAD operations center and were on call for emergencies on a 24-hour basis. Additional situation reports were issued to keep DoT offices apprised of the status of operations. Finally, daily contact was maintained between MARAD Port Operations personnel, MTMC, and the primary ports.

While MARAD was in daily contact with the supporting ports and MTMC, its full emergency port operations authorities were not activated in support of Desert Shield.

The NPRN has no explicit wartime role. Thus, there was no transition to a "wartime" NPRN operational mode. Its peacetime experience, however, provided the capability to allow for smooth operations during the period of increased tempo required by Desert Shield. Familiarity with each other's responsibilities allowed the major participants in port operations to communicate effectively and resolve problems during the operation.

At the headquarters level, the Steering Group did not need to meet during the conflict, while members of the Working Group communicated as needed. At the local level, PRCs met as needed. There is no formal requirement for these committees to meet. As a result, some did not meet at all, others met on an ad hoc basis, and still others met formally.

Activation of the standby FPC contracts between the individual port authorities and the NSA is triggered by the invocation of the appropriate declaration of national emergency – either Presidential or congressional.

No Presidential declaration of national emergency in Desert Shield invoked this authority. Initially, MARAD advised port authorities that the authority to activate contracts had not been assigned, but that the authority to prioritize and allocate did exist. The management of port authorities attended those PRC meetings held in their jurisdictions in their civilian capacity, not as representatives of the Federal Government. They provided MARAD headquarters with port status reports.

The authority to prioritize and allocate port facilities was invoked only once in Desert Shield (to maintain an RRF ship in the process of being activated on berth beyond the originally planned time). However, MARAD feels that the very existence of this authority was persuasive in attaining cooperation when needed. Unlike the FPC program, this authority is triggered with the deployment of military forces in support of a military operation (excluding exercises or training).

As with other delegated DPA priority and allocation authorities, MARAD would use this authority only after MTMC had already attempted to obtain the facilities, services, etc., through conventional commercial means. Only after unsuccessful attempts would MTMC then go to MARAD and request intervention. The goal is to have minimum disruption of business while supporting DoD needs.

As was the case in other agencies, the lapse of the DPA was not publicized initially by MARAD. However, most of MARAD's primary port concerns had been addressed by the time the DPA initially lapsed in late October 1990.

#### ***Department of Transportation/Department of Defense Coordination***

There is little difference between peacetime and wartime coordination between MARAD and DoD regarding port operations. As noted above, the NPRN acts as an interagency coordination organization providing the basis (not the structure) for interaction in a crisis, should such a need arise.

Operationally, MARAD Port Operations personnel deal at the national level directly with analogous organizations in MTMC, and to a lesser extent with organizations in MSC and the Coast Guard. Direct information exchanges also took

place with the port authority directors of those ports actively supporting Desert Shield.

### ***Issues***

Familiarity with the DPA, together with the appropriate use of its authority by the Maritime Administrator, was an issue that arose during Desert Shield port operations. Most DoD personnel were well versed in the benefits and limitations of the prioritization and allocation procedures. However, newcomers tended to oversimplify the need for justification by the Maritime Administrator in order to invoke DPA authority on DoD's behalf. As identified in 46 CFR 340, certain circumstances must exist for MARAD to use this authority. (Of the specific requirements that must be fulfilled in order to invoke the authority, the most difficult may have been determination that the proposed approach would satisfy DoD's needs with minimum disruption to commercial activities.) Various DoD personnel participating in port operations had difficulty understanding that all criteria must be complied with before this authority is invoked.

No major allocation problems were actually experienced at the commercial ports handling DoD cargo during Desert Shield. As indicated, there was only one case in which DoD priority had to be used to obtain a repair berth for a MARAD vessel.

### **MATERIEL**

Materiel support in Desert Shield was a widely recognized success story. Civil agencies played crucial roles in supporting DoD by ensuring that DoD orders to industry were given priority and by assisting in the actual acquisition of a wide variety of commercial items. DoC and the GSA took the lead in responding to DoD materiel requirements. DoC is responsible for assuring timely availability of industrial resources in support of DoD, and GSA is the Federal agent for acquisition of commercial items.

Desert Shield materiel requirements were intensively managed within DoD, and among DoD and the resource agencies. Early in the conflict, the Office of the Assistant Secretary of Defense (Production and Logistics) [OASD(P&L)] convened an ad hoc working group to act as a forum for identifying and resolving industrial base problems. Representatives from OSD, the Joint Staff, the Services, and the Defense

Logistics Agency (DLA) initially met to consider the emerging resource issues and internal management concerns. Membership was eventually extended to include FEMA and DoC.

The working group focused on maintaining the flow of information among the participants and on clarifying respective concerns. Meetings provided a forum for airing problems and identifying possible solutions. While surge items were tracked as necessary, the group did not attempt to arbitrate priorities or resolve conflicting requirements. The approach advocated by the group was to use normal policies and procedures as much as possible.

One matter given particular attention was the increased need to use the Defense Priorities and Allocations System (DPAS).<sup>3</sup> In late August 1990, the mechanics and procedures for accommodating the increased level of DPAS cases between DoD/DoC was addressed. Through the working group, the recommendation was made not to automatically elevate the priority rating from DO to DX, but rather to focus on expediting orders with contractors and their vendors without changing the rating of the order.

This working group continued to meet until the end of Desert Storm.

## **Priorities**

DoC is responsible for administering the DPA and DPAS in support of DoD and other Defense procuring agencies as well as DoE industrial resource requirements. As will be discussed in Chapter 5, DoC is one of several resource agencies with DPA authority to prioritize and allocate resources. During Desert Shield only the prioritization authority of the DPA was used to support DoD resource needs; the allocation authority was unnecessary during the conflict.

### ***Department of Commerce Responsibilities***

In Desert Shield, DoC's primary role was to support DoD acquisition needs through the use of its DPA authority and the DPAS. DoC started applying this authority in support of the operation on 2 August 1990.

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<sup>3</sup>The DPAS is the administrative regulatory mechanism by which acquisitions requiring prioritization are rated and intervention is justified. A more complete description of the DPAS and its priority rating system will appear in Chapter 5.



Representatives from each Service, OASD(P&L), and DLA submitted to DoC a variety of production and delivery problems affecting items required to support DoD operations in the Persian Gulf area. Types of equipment of particular concern included:

- Electronic components
- Portable secure computer systems
- Defense electronic countermeasures equipment
- Communications equipment
- Avionics systems and parts.

In addition to the above, DoC supported the acquisition of such critical items as combat rations, precision guided munitions, entrenching tools, medical and field hospital support equipment, M-1 tank ammunition, and light armored vehicle components.

#### ***Department of Commerce Transition Actions***

DoC actions in support of Desert Shield were essentially the same as normal peacetime activities – but involved a higher volume of cases. Normally, DoC processes between 60 and 70 DPAS cases per year.

Desert Shield departed from peacetime operations not only in the volume of cases but also in their phasing. The 137 DPAS cases handled between August 1990 and March 1991 were phased as follows:

- 2 August to 20 October 1990 – 22 cases
- 21 October 1990 to 7 January 1991 – 33 cases
- 8 January to 17 January 1991 – 15 cases
- 18 January to 1 March 1991 – 67 cases.

Of these 137 cases, 44 were for allied governments – 42 for Great Britain and 2 for Canada. Following the lapse of the DPA and the signing of EO 12742, 13 of the 17 rating authorizations were issued under the authority of the Selective Service Act.

Well-established operating relationships between DoC personnel and the various DoD organizations identifying DPAS cases allowed for DoC's rapid and effective transition to the higher operating tempo required by Desert Shield.

To support the additional workload, DoC staffing of the DPAS office was expanded as needed, by drawing on personnel from within the Office of Industrial Resource Administration. Using these personnel, DoC was able to quickly achieve a high level of operational response and would have been able to sustain this operating tempo as long as necessary.

Steps were taken to streamline communications between DoC and the various DoD DPAS offices. The Services were encouraged to resolve competing demands internally as much as possible. Within DoD, the OASD(P&L) assisted in resolving those competing demands not resolved among the Services. As needed, DoD requested assistance from DoC in prioritizing industrial resources under its DPA authority.

#### ***Department of Commerce/Department of Defense Coordination***

Interagency coordination during Desert Shield varied little from normal operational relationships. In order to facilitate the preparation of DPAS cases and expedite their resolution, whenever possible the telephone and fax were used. In many cases, issues were handled informally through direct person-to-person contact, in order to speed up the process. Documentation to backup the need for special priorities assistance was submitted as soon as possible thereafter.

In addition to the regular channels of communication, the DoD-convened ad hoc industrial base working group provided a forum for bringing together organizations involved in industrial base issues.

As needed, coordination was extended beyond DoC and DoD. In Desert Shield, one case required USDA cooperation in delegating authority to obtain combat rations. Through a joint delegation by USDA and DoC, DLA was given authority to use priority-rated orders to obtain a variety of combat rations, including Meals-Ready-to-Eat (MREs) and Meals-Ordered-Ready-to-Eat (MORE).

## ***Issues***

The Desert Shield experience revealed some lack of understanding regarding the DPA and use of the DPAS in supporting DoD acquisitions. DoC, OASD(P&L), and DLA representatives each indicated that, while the DPAS was reasonably well understood at senior levels, some lower level participants showed a lack of awareness of the mechanics of preparing requests and justifying the need for DPAS intervention. Similarly, some contractors indicated a lack of knowledge about applying rated orders internally and to their suppliers. Ongoing education on DPAS policies and on the mechanics for implementing the system is perceived as being needed by various participants.

The issue regarding the the use of the DPAS in obtaining combat rations showed some of the difficulties which currently exist in defining jurisdictional responsibilities among the resource agencies. There was some question as to whether this was a USDA or DoC concern, and whether use of the system was actually even necessary. This case illustrates the importance of maintaining familiarity with the use and application of emergency authorities, and the need for interagency cooperation, as well as the need to develop mechanisms for resolving these issues.

An important aspect of DoC's role in Desert Shield was recognizing the reliance by U.S. manufacturers on components produced overseas. Among the DPAS issues arising during the conflict were critical components for selected search and rescue radios that are produced in Japan, as are flat-screen video panels for various computer systems, the global positioning system, and computer battery packs. The battery packs were provided by the Japanese to French contractors, potentially compounding the problem since two foreign countries were in the supplier chain. Tactical cockpit displays for the F-16 fighter are produced in the United Kingdom. Various U.S. sources were found to be distributors for foreign suppliers.

While all of these overseas contractors support U.S. manufacturers, they are not subject to the DPA authorities. They must either be amenable to voluntarily prioritizing the U.S. contracts, or the U.S. Government must intercede with their governments to provide assistance.

DoC's authority is somewhat less impaired by the loss of the DPA than are some of the other resource agencies. EO 12742 does provide some prioritization authority. However, as discussed in Chapter 5, the Selective Service Act and related statutes,

cannot be used to support non-U.S. armed forces' needs. In Desert Shield, this restriction was circumvented through an unusual interpretation of "U.S. forces" involving the broadest use of the term, based on the fact that the coalition forces were led by the United States and a U.S. commander.

## **Acquisition**

Successful acquisition of a wide variety of items — in quantities far beyond the norm and within a very short period — set Desert Shield apart from previous conflicts. The Service acquisition agencies, DLA, and GSA successfully supported the Commander-in-Chief (CINC) needs in the Persian Gulf.

GSA is the agent for the purchase of most commercial-type items for all Federal agencies. In some ways, GSA is to the Federal Government what DLA is to DoD. Both organizations purchase items used by some or all of their sister organizations.

### ***General Services Administration Responsibilities***

GSA supports the Federal Government in the acquisition of commercial items [through the Federal Supply Service (FSS)] and in the acquisition and expansion of telecommunications equipment and networks [through the Information Resources Management Service (IRMS)]. GSA also has substantial disaster relief responsibilities.

In Desert Shield, GSA activities involved both the FSS and the IRMS. Through the FSS, GSA supported DLA acquisition of a variety of items normally the responsibility of DLA but for which DLA had insufficient sources of supply, in addition to providing a wide variety of commercial items. Some examples include the MORE rations, medical supplies, entrenching tools, sandbags, tents, and concertina barbed wire. FSS depots throughout the nation assisted in supporting DoD's increased requirements for massive quantities of commercial items.

The IRMS, working with DoD, assisted in increasing communications capacity to military bases throughout the world. Particular efforts involved increasing the regional structure of the National Communications System within CONUS and supporting GSA responsibilities for providing communications support to DoD in Europe.

The FSS was the primary source of GSA activity in Desert Shield. In addition to procuring standard commercial items, the FSS helped procure various special items, including Chemical Agent Resistant Coating (CARC) for painting military vehicles used in the Persian Gulf area. CARC is used to paint all military tactical vehicles.

Initially, all vehicles deploying to the theater had to be painted sand color. Following a "friendly fire" incident, DoD identified an emergency requirement for infrared-readable paint that could be applied to coalition vehicles to identify them but that would not react negatively with the existing CARC. No formula for this new paint existed.

Conference calls between GSA's FSS, the GSA Paint and Chemical Commodity Center in Auburn, Washington, and the paint manufacturer produced a solution. Within 4 days, the manufacturer was able to formulate and produce the paint for shipment to the theater.

Regarding the use of the DPA by GSA, the FSS has only a limited need to use DPAS ratings to prioritize orders and did not have to use this authority extensively in Desert Shield. GSA has the authority to rate orders, but only for a DO rating. During the conflict, GSA did have a single case for which a DX rating was requested – for entrenching tools. Permission was obtained from DoC for the authority to upgrade the rating. Otherwise, the general sense is that GSA has adequate authority for prioritizing its orders for DoD with a DO rating.

Overall use of the DPAS increased in response to the demand from DoD. To support the additional requirements in a timely manner, the FSS coached its commodity center contracting personnel on the use of the DPAS and on coordinating with DoC.

### ***General Services Administration Transition Actions***

GSA was well prepared to respond to DoD's increased need for support in Desert Shield. As a major participant in the Federal Government's disaster relief system, GSA had been involved in two major natural disasters shortly before the outbreak of the Persian Gulf crisis – Hurricane Hugo and the California earthquake in 1989.

The GSA Emergency Coordinator activated the agency's crisis action center early in the crisis. As with other agency headquarters organizations responsible for

emergency coordination, this center was primarily a monitoring function for efforts of the operational elements of the agency – the IRMS and FSS.

Both the IRMS and FSS have substantial emergency response capabilities, which were used effectively in Desert Shield. Both organizations appointed a primary operational troubleshooter to act as the central point of contact for the Service's operations. The IRMS activated its FTS 2000 Display Center, which monitored the FTS 2000 telephone system on a 24-hour basis for a 14-day period during the crisis.

The FSS alerted its supply support system to stand by to provide continuous priority logistical support for the operation. The five FSS supply depots went to expanded working hours to support DoD needs. The FSS headquarters functions were not intensively stressed; the field organizations bore the brunt of the effort. Order processing and depot shipping operations ran around the clock, 7 days a week. Depots were able to accomplish this level of support without increased hiring. The actual efforts did not vary substantially from normal operations, but the volume of the workload increased dramatically.

A major factor in GSA's ability to support DoD in Desert Shield was the extended build-up time of several months. This period allowed the agency to increase deliveries of items, organize and prepare depot personnel, and evaluate organizational crisis response plans and procedures.

The FSS instituted a variety of policy decisions to streamline administration of orders and expedite filling them. Communications devices such as cellular phones, faxes, and STU-III secure phones, as well as conference calls when needed, facilitated rapid communication among participants.

#### ***General Services Administration/Department of Defense Coordination***

GSA organizations work with several organizations within DoD. The IRMS supports the National Communications System (NCS) and various telecommunications functions within DoD. The FSS works with the material acquisition and distribution commands within DoD – primarily DLA, the Army Materiel Command (AMC), and Forces Command (FORSCOM).

Some of these relationships were a departure from normal peacetime operations. Normally, the FSS rarely comes into direct contact with AMC. Communications with DoD are primarily in the form of a quarterly briefing to the Deputy Chief of Staff (Logistics) for each of the Services and DLA. FSS contacts are primarily at the policy level, with the need to address operational issues rare. Despite this limited exposure before Desert Shield, organizations were able to develop operational relationships because of their intense desire to support DoD's needs.

### ***Issues***

There was serious concern within GSA that suppliers were in imminent danger of reaching their limits in being able to support Desert Shield needs. Many GSA vendors were running out of stock. While they were able to meet the initial demand, there was significant worry that prolonged consumption would produce a substantial problem in resupplying requirements should resupply requests continue for 2 to 3 more weeks.

GSA's responsibilities are for contracting for commercial-type items, which should, in most cases, be readily available. The problem occurs not in the item's availability, but rather in whether the item is appropriately packaged for DoD needs – either in terms of quantities or packaging. DoD competes for certain bulk food supplies with civilian users such as bulk sellers (e.g., PACE, Price Club), school lunch programs, food shelters, etc. Bulk food is produced by a comparatively small number of suppliers. The capacity of the industry is such that prolonged drawdowns of suppliers' stocks by DoD would quickly have had an impact on the civil sector, public support areas in particular.

Another major GSA concern was the potential need to support a natural disaster concurrent with Desert Shield. The New Madrid Fault, which runs through several Midwestern States, and potentially affects as many as 20 states, was experiencing tremors of an alarming nature during the crisis and a major event was predicted. Should substantial earthquake activity have occurred while GSA (and the rest of the nation) was supporting Desert Shield, there could have been major problems in materiel supply and distribution. Also the Domestic Office of Military Support (DOMS), which provides military support for natural disasters, informed

GSA that the agency would have to handle any transportation requirements that might arise should a natural disaster occur.

DoD placed very large orders for various construction items – including entrenching tools, sandbags, and concertina wire (supplied by DLA) – as well as items used in disaster relief (tents, roll-up mattresses, etc.).

DLA's requirement for 84 million sandbags far exceeded the capacity of the U.S. supply base. Differences between the types of sandbags provided by DLA and GSA vendors initially limited the support GSA could provide. While GSA stocks burlap sandbags for use by the U.S. Army Corps of Engineers, in natural disasters such as floods, DLA orders sandbags of a nonporous polypropylene material. Eventually, GSA was able to support DLA sandbag requirements through the approval of specification waivers – waivers from GSA for color and from DLA for material. GSA ultimately had to go overseas to acquire the needed sandbags for DLA, going as near as Canada and as far as Calcutta to support the acquisition.

Another major issue for GSA was terminating the supply pipeline soon after it was established. DoD requirements for 60 days of supply of rations and subsistence items to be stocked in the theater created a huge surge in demand for rations provided by DLA and ultimately supported by GSA. Completion of Desert Storm and the decision to begin withdrawing coalition forces immediately resulted in a sudden need to switch off a 6-month pipeline of rations costing an estimated \$300 million.

GSA was also confronted with the need to support procurements of items it does not stock, such as roll-up mattresses. DoD is the primary user of these mattresses. However, even Defense's normal needs are so limited that there is insufficient demand to create a civil production base. The sole suppliers of these mattresses are sheltered workshops, which have little surge capability. Desert Storm operations resulted in a large number of prisoners of war (POWs), far beyond that expected. While medical supplies originally intended to treat casualties could be used for the POWs, DoD suddenly required large numbers of mattresses, ordering 70,000. Although surge capacity was extremely limited, GSA was able to contract for these orders. Completion of the war resulted in DoD's attempting to terminate these contracts. After learning that it would still have to pay 70 percent of the cost of the product even if delivery was canceled, DoD decided to complete the contract.



It is unclear how DoD will choose to use these unplanned-for supplies and how this surged requirement will affect the GSA supply base in the future. From this matter of the roll-up mattresses, GSA discovered that DoD officials were not always sufficiently familiar with the manufacturing and procurement process to understand the ramifications of terminating a procurement.

Another difficulty exacerbating DoD/GSA interaction in Desert Shield was differences in terminology. The DoD planning personnel with whom the FSS coordinated at the headquarters level consider material in terms of a system of classes of supply, while the FSS manages items down to the national stock number level. DoD represents approximately 70 percent of the FSS's business, and, as a result, the organizations have developed close working relationships that overcame many of these obstacles in Desert Shield.

## **ENERGY**

In Desert Shield, the availability of abundant fuel resources through host nation support reduced DoD's reliance on domestic sources of energy products, thus reducing the need for DoE support in this conflict. The relationship of DoD and DoE regarding fuel support is of interest, however, since it differs somewhat from other DoD/civil agency relationships regarding resource acquisition.

As the sole purchaser of bulk petroleum goods for the Federal Government, DoD has extensive authority to act to support its energy needs. DoD has direct procurement relationships with the petroleum industry that are extensive and substantial. On the basis of an internal assessment that there is sufficient need, DoD can waive certain acquisition restrictions that would encumber acquiring petroleum products, both in peacetime and in a crisis. In Desert Shield, DoD did not need to rely on DoE for assistance in acquiring energy products in the same way that it relied on DoC or DoT for resource support, because of the department's ability to meet its fuel requirements using the full range of emergency procurement procedures at its disposal. DoE is responsible, however, for prioritizing fuel in support of defense needs, should it be required.

## **Department of Energy Responsibilities**

DoE's basic responses in a crisis are essentially the same, regardless of whether the crisis is of a civilian or military nature. The first step in the Department's

response is to collect data on the situation. Second, the Department will take steps to ensure that adequate communication exists among the participants regarding fuel issues. Third, the Department will take steps to resolve whatever problems that arise regarding fuel issues, intervening through the use of the emergency authorities provided in the DPA, as needed.

DoE's activities in Desert Shield primarily involved the following:

- Studying the issues surrounding release of the Strategic Petroleum Reserve (SPR) and then recommending the release just before the start of Desert Storm
- Keeping DoD apprised of the status of the domestic and Persian Gulf oil industry
- Keeping apprised of the status of DoD petroleum, oil, and lubricant (POL) needs and supplies
- Maintaining liaison with
  - ▶ DoD, primarily with the Defense Fuel Supply Center (DFSC)
  - ▶ Other major fuel users within the Federal Government
  - ▶ The domestic petroleum industry.

### **Department of Energy Transition Actions**

DoE activities started early in the crisis with activation of the Department's crisis action center. Lines of communication were established between Energy and Defense, primarily DLA's DFSC, DoD's fuel procurement agent.

At the start of the deployment, DoE appointed a primary point of contact for channeling industry issues and concerns. The agency also called together representatives from the major fuel users [FAA, MARAD, Interstate Commerce Commission (ICC), and DoT headquarters] to establish a crisis response relationship. If any of these organizations had a fuel problem, they were to call the primary point of contact at DoE. This represented a conscious decision by DoE to get involved early and to establish links in advance of an immediate need.

As part of the Department's effort to anticipate issues, DoE conducted a series of exercises from late August through the fall of 1990. The exercises attempted to game the events in the Persian Gulf, identifying issues affecting the energy industry and

alternatives for DoE actions and responses. They involved DoE, DoD, the National Security Council, DoC, DoT, and FEMA, and representatives from the petroleum industry, as well as the New York Mercantile Exchange (NYMEX).

The exercises allowed the participants to get a better understanding of what they could do in a crisis and informed the staff and the Secretary on issues and options. One topic exercised was release of the SPR. Early in the conflict, the suggestion was made to release reserves from the SPR in order to stabilize the price of domestic oil. At that time, it was decided that such a decision was premature. Instead, the decision was examined in exercises to consider the justification for and impacts of such a move. By the time the President decided that a release from the SPR would be made when hostilities began, all participants had been informed of the circumstances of the decision. This would not have been possible without the internal exercises.

Direct communication between DoE and the Saudi Arabian oil ministry was established as part of an overall effort to control rumors by disseminating accurate information to the market which, in turn, helped to minimize the impact of the crisis on the petroleum markets. The need for such a capability was reinforced by a surge in jet fuel purchases by various airlines in October 1990, in response to the rumor that DoD would be purchasing large quantities. Although DoD requirements for fuel had a limited impact on the commercial market, the potential for significant fluctuations in the market in response to suspected demands was an ongoing concern.

DoE identified three possible scenarios in which it might be necessary for the Department to invoke its DPA prioritization authority. The first case would have been if DoD was unable to acquire sufficient fuel to meet its needs through commercial procurements and needed DoE to exercise the authorities available to it under the DPA. The second case was the possible need to meet air carriers' local shortages of jet fuel for CRAF flights. The third circumstance considered was the possible damage or destruction of the domestic or Saudi oil production infrastructure supporting Desert Shield operations, which could have required DoE intervention to provide equipment or resources to support the restoration of production capability. This latter support could have been provided only to facilities directly supporting Desert Shield. None of these conditions occurred in Desert Shield.

## **Department of Energy/Department of Defense Coordination**

During Desert Shield, DoE worked closely with DoT and DoD (primarily DFSC) to obtain information on the jet fuel market and the impact on the market of DoD fuel requirements. The office of the DoE emergency coordinator, working with DFSC, maintained awareness of the status of DoD stocks and anticipated fuel requirements. While it was unlikely that DoD would actually need to call on DoE for energy support, this information supported DoE's efforts to bridge the gap between military and civil-sector energy demands.

The DFSC/DoE link was exceptional in that it is unusual for DoE to attend DFSC internal briefings. In addition to DoE attendance at briefings, DoD representatives from OSD and DFSC participated in several DoE staff exercises during the Fall of 1990. As necessary, the Secretary of Energy was briefed by DoD representatives on the status of DoD's fuel position as well as through the briefings provided by the DoE staff.

At the senior levels, DoE's links to DoD are through the OASD(P&L) in charge of energy policy for DoD. There is no direct link between any of the civil agencies and the Joint Staff. Should it be considered necessary, OSD can arrange contact between DoD organizations and the agency or pass the information on directly.

### **Issues**

Two primary issues are associated with the DoE/DoD crisis coordination relationship: definition of the scope of DoE involvement and adequacy of and requirements for status information.

As with other aspects of the civil agency/DoD support relationship, the question of how much information the agencies need to prepare to support DoD needs appears to be a source of interagency friction. In Desert Shield, differences arose between DoE and DoD regarding DoE information-gathering efforts, both within DoD and in the theater. DoD, in its role as purchaser of bulk petroleum supplies, has developed substantial analytical and management capabilities in DFSC. The relationships existing between DFSC and the petroleum industry resulted in extensive offers of support being made by the oil industry to DFSC at the start of the crisis. DoD saw, therefore, little need for DoE involvement.

DoE, however, has the mission to plan for and prepare to support both civilian and military needs in an emergency, and to assess the market impacts of DoD needs in a crisis. While the need to provide prioritization support to DoD might be small in a crisis such as Desert Shield, uncertainties regarding energy issues may be great. DoE's approach was to be prepared, should the need arise, to address civil sector problems in response to Desert Shield.

Differences in perceptions of organizational priorities and missions, therefore, had a significant impact on the interactions between these two agencies.

These differences also influenced the perception of information needs. DoE was concerned with acquiring accurate and timely information on those aspects of DoD's operation that could affect agency and commercial market interests as were most of the other civil agencies supporting DoD. The early information flow between DoE and DFSC supported this concern, as did other DoE efforts to monitor the situation. However, from the perspective of OSD, DoE's limited support role did not necessarily demonstrate the need for this information.

Another issue of concern to DoE is identification of an appropriate vehicle for channeling to DoD agency concerns that are not related to market impacts, but rather to long-term strategic or economic considerations.

During Desert Shield, DoE identified two such issues of concern: the economic impact of destruction and/or substantial damage to the Iraqi or Kuwaiti oil production infrastructure, and the subsequent oil well fires. DoE was not sure that the Joint Staff was aware of the long-term economic implications of damage or destruction of the area's oil production infrastructure. DoE's concern regarding the oil well fires focused on awareness that certain types of wells can produce lethal gases that require special precautions. DoD did not destroy wells as part of its strategy, and DoE was able to use informal personal contacts to get across the information regarding the deadly wells.

The differences in perspective between DoD and DoE were not resolved during Desert Shield and remain unresolved.

## **CHAPTER 4**

### **SERVICE SUPPORT IN DESERT SHIELD**

DoD relies on the civil agencies not only to support its resource needs but also to provide special service support. This support may take the form of augmenting DoD's own limited capabilities in certain areas or actually performing certain missions for DoD.

During Desert Shield, four civil agencies provided special service support to DoD – the USPS, the USCG, EPA, and USDA.

#### **MAIL PROCESSING AND DISTRIBUTION**

Mail processing and distribution were major problems in Desert Shield. Despite this, mail handling in Desert Shield must stand as an important success, given the tremendous volume being transported and the relatively limited time in which to respond to evolving needs. While nobody interviewed for this study was less than fully appreciative of the desire to support the troops, the volume of mail produced by the American public overwhelmed USPS and DoD plans for expanding postal service operations in a crisis. Although this function generally tends to be given a lower order priority in operational planning, in Desert Shield it became a major concern for both the theater CINC and key DoD headquarters elements, as well as the USPS.

The demands placed on the civil sector and DoD in handling the volume of mail associated with this conflict far exceeded anything ever planned for in the past. Contributing to the problem was the lack of contingency plans within DoD and between DoD and the USPS for making the transition from peacetime to a major overseas deployment.

For many reasons, this category of civil agency support highlights many of the problems that can result from a less than fully mature emergency coordination relationship.

## **U.S. Postal Service Responsibilities**

The USPS has an ongoing responsibility to provide mail processing and distribution support to DoD. Domestically, the USPS supports military installations in the same way it does the overall civilian population, by establishing post offices on or close to military installations, as needed. DoD personnel charged with mail processing and distribution are considered agents of the USPS, with these functions effectively remaining under USPS control, although performed by DoD personnel. Overseas, USPS support takes the form of establishing Army Post Offices (APOs) and Fleet Post Offices (FPOs) to assist in sorting military mail, and providing special mail handling equipment to overseas military postal facilities. All of these basic services were provided in Desert Shield – and more.

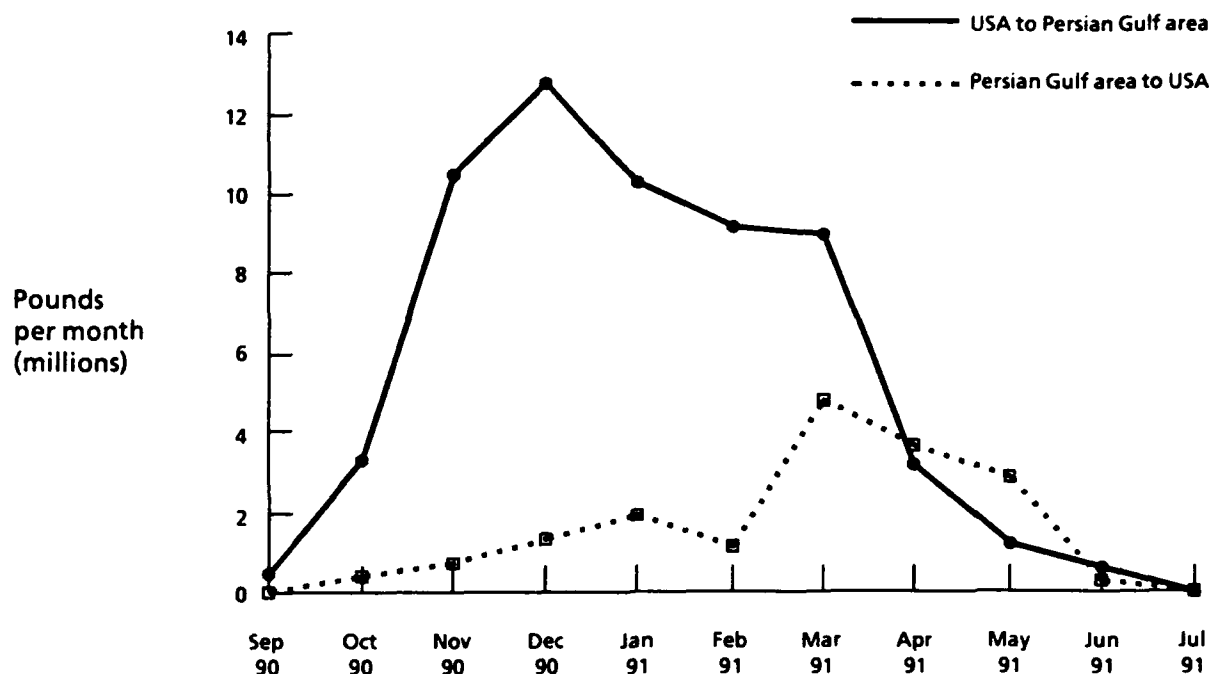
## **U.S. Postal Service Transition Actions**

USPS responsibilities in Desert Shield were essentially similar to daily peacetime operations. Although transition plans made by the USPS and DoD's Military Postal Service Agency (MPSA) for expanding mail processing and distribution support to DoD were not in place at the time of Desert Shield, the USPS has internal plans developed to support the Christmas season rush. These were the starting point for the USPS transition for Desert Shield. They were, however, inadequate to meet DoD's needs.

As Figure 4-1 illustrates, the growth in the volume of mail to the theater was phenomenal. The MPSA's inability to provide estimates of the force to be deployed, combined with the level of public support (expressed as mail), overwhelmed each estimate of the need for USPS support.

USPS actions to respond to the call for increased mail processing support consisted of expanding the work force at headquarters and at the mail processing centers as needed. The headquarters personnel were increased from two permanent employees to four to handle the increased level of activity and help resolve DoD's problems as they were defined. Several thousand mail processing personnel were temporarily hired to meet the rapidly expanding workload at the regional sorting centers.

A daily telephone conference call between MPSA, the USPS, MAC, and the theater postal managers was key in identifying operational problems in the theater



**FIG. 4-1. DESERT SHIELD MAIL VOLUME**

mail processing and distribution system. Through this conference call, requirements for additional special processing equipment and for new APOs and FPOs could be requested.

Internally, the USPS communicated with its six major gateway sorting centers and individual post offices through its regular channels. The network for transmitting instructions to the post offices was used to inform them of the opening of new APOs and FPOs and of any other guidance on processing Desert Shield mail.

Meetings were also held, as needed, with MPSA and DLA representatives on the issue of DLA receipt of mail and the management of donated items. Coordination took place regarding the transfer of mail at MAC aerial ports rather than at civil airports and the preparation of the mail in special shipping containers.

#### **U.S. Postal Service/Department of Defense Coordination**

The USPS and MPSA are the primary coordination points for DoD policy on mail processing and distribution operations. In Desert Shield, this relationship continued, building on the extraordinary needs of the crisis. Through MPSA, the



USPS had a limited, specialized view of the crisis and emerging DoD needs. MPSA, the primary DoD organization with which the USPS works, is responsible for establishing DoD mail policies and working with those commands that have a mail-related mission. In Desert Shield, this involved close coordination with OASD(P&L), which establishes transportation policy for DoD; MAC, responsible for transporting DoD mail to the theater of operations; FORSCOM, which provided personnel support for expanded mail-handling operations at aerial ports of embarkation (APOEs); and the CINC staff, responsible for establishing and managing mail handling and distribution facilities in the theater.

Because of the complex nature of USPS support in Desert Shield, involving significant policy and operational responsibilities, we will discuss mail processing and distribution operations in some detail.

### **Postal Operations in Desert Shield**

DoD normally adapts to changes in the need for postal support on the basis of the nature of the crisis. Only very limited contingency plans had been developed before Desert Shield. Previous crises, such as Grenada and Panama, were much more limited in scope and included CINC-imposed embargoes on mail going into the operational zone. Embargoes, among other things, allow the postal system to assess the needs of the operation in a more managed fashion. No mail embargo was imposed in Desert Shield. In accordance with the CINC's direction, the initial restriction placed on packages over 11 ounces was lifted soon after the operation began.

Several authorities and rules can be imposed to limit the mail going into the theater, any of which would have provided some planning time for the USPS and MPSA to develop approaches for dealing with the problem. All of these management options are at the CINC's discretion, and none of them were elected to be applied in Desert Shield. CINC priorities were to encourage all forms of public support for the troops, with as few restrictions as possible.

The public was actively encouraged to support the deploying forces by providing many items not readily available in the theater. Individuals, organizations, institutions, and corporations donated to DoD or sent to Service members a variety of items – some of which were illegal or inappropriate (e.g., bibles, alcohol, Christmas trees). The USPS and DoD initially were not prepared to accept or transport these donations, and they continued to have problems in sorting mail (to an individual) and

donations (to general forces). Adding to the confusion was mail to "ANY SERVICE MEMBER," which accounted for approximately 25 percent of the total mail going to the Desert Shield forces.

Given these conditions, postal operations in Desert Shield departed from peacetime operations in several important ways.

First, the vast majority of the mail was carried by MAC aircraft rather than in commercial aircraft. Sorted Desert Shield mail was transported from civilian postal sorting centers to MAC APOE in the United States for transport to Saudi Arabia. This change in routing resulted in increased involvement by MPSA in coordinating operations with MAC. The use of MAC airlift for mail support raised several collateral issues, discussed later.

Second, the incredible volume of mail going to the theater overwhelmed all civilian and DoD mechanisms for handling wartime mail operations. Many more APOs and FPOs had to be opened for the Central Command (CENTCOM). Existing CENTCOM postal operations were inadequate for the volume, and additional personnel and equipment were needed in the theater to handle the workload. New air mail terminals (AMTs) were also constructed in the theater. Additional CONUS airbases became involved in supporting mail operations as the volume of the mail increased and problems in distribution in the theater began to surface.

On the civilian side, several thousand mail-handling personnel were hired for expanded operations throughout the country. Specialized postal handling equipment, which USPS provides to DoD to support postal operations overseas, was taken from throughout the United States for shipment to Saudi Arabia. Emergency stocks of various postal products were drained.

Third, the USPS and MPSA were confronted with the need to develop new strategies for packaging the mail, because of unit-specific mail distribution concerns. The Marine Corps is the only Service that retains a postal clerk function as an integrated element in deploying units. The other Services have postal clerk functions as either collateral duties or as Reserve Component functions. The latter is the approach favored by the Army, which has retained a very small number of active duty mail service units, opting to keep most of that capability in the Reserves.

The reduced emphasis on postal service support for deploying units resulted in several problems. Deploying units were insufficiently equipped for the volume of mail to be processed and distributed. Depending on the Service and location of the unit, special packaging conventions had to be adopted to support mail distribution.

Triwall containers carrying 500 to 600 pounds of mail were adopted, on the basis of USPS, MPSA, and MAC coordination, as the most efficient approach for transporting mail on MAC flights. Easily loaded on pallets, the triwalls would contain mail sorted to the 5-digit APO and the AMT in the theater could then transport the container to the destination for further distribution to units.

Use of the triwalls reduced the time and manpower required to move the mail from plane to terminal that the previously used, labor-intensive 70-pound mail bags required. However, moving triwall containers requires forklifts, which not all units have as part of their basic equipment. Both the Army and Marine Corps, therefore, requested that mail for certain units be packed on pallets in bags and not in triwalls. The USPS and MPSA went through several iterations of mail packaging strategies before the process was fully organized for these special needs.

The overall effect, however, was that the USPS worked more closely with DoD in the actual preparation of Desert Shield mail for transfer to the military than would be usual in peacetime, and that these transfers took place at domestic APOEs rather than at overseas air terminals.

### **Transportation Impacts**

On average, mail operations in Desert Shield accounted for between 10 and 12 MAC flights per day. Those flights were in addition to the separate flights arranged by DLA to carry corporate/institutional donations of items and equipment.

Plans for routing the mail flow through civilian postal gateways at commercial airports onto commercial air carriers had to be changed as the volume exceeded the capacity of commercial cargo space. Available commercial cargo space shrank as carriers volunteered aircraft to MAC to support other MAC missions. Exacerbating the shortage in commercial transport was the cancellation of commercial flights into the combat area. It became necessary, therefore, for DoD to move from commercial carriers to a total reliance on MAC for mail transport. This transition began in

September and, because there were still very few flights into the area, continued to a limited extent until July 1991.

The loss of commercial carriers to MAC through volunteers and the CRAF program resulted in a number of problems for the USPS, which had to rely on smaller independent air carriers to transport the regular domestic priority mail. The smaller carriers could, in a supply-driven market, charge much higher fees than would normally be possible, so USPS operational costs increased. Exacerbating this situation was the FAA aviation security restrictions requiring all mail over a specified weight to be screened as part of the national anti-terrorism precautions, resulting in USPS being unable to maintain its priority mail delivery commitments. These restrictions were in effect from mid-January until April 1991.

The loss of commercial flights to other countries in the theater of operations meant that other DoD installations in the general region — including those in Egypt, Greece, and Italy — also needed to be supported through MAC transport rather than by commercial contract arrangements, extending the need for special sorting to other APOs and FPOs outside of the Desert Shield operational area.

DoD's agreement to have mail carried by MAC required that mail operations be injected into the APOE transport stream. Initially, Dover AFB was designated as the MAC APOE for mail operations on the East Coast. However, the steadily increasing volume of mail, combined with the huge loads of combat materiel and equipment also departing from Dover, saturated the base's capacity. As a result, McGuire AFB, originally planned to be closed in late 1990, was designated as the East Coast mail APOE and was kept open to support this operation. Later still, Tinker AFB, Oklahoma was added to the flow as a mail APOE for San Francisco and Dallas-Ft. Worth. Early in the effort, Air Force personnel at Dover AFB were augmented by an Army Reserve postal unit assigned to help prepare the mail for transport to the theater. These Army personnel moved to McGuire AFB when mail operations were moved from Dover AFB.

### **In-Theater Delivery Problems**

In-theater delivery is a responsibility of the CINC. The USPS and MPSA coordinate as much as possible in managing operations to support the particular needs of the mail distribution organization in the theater. Requirements for opening and closing APOs and FPOs are defined by the CINC's designated joint postal

operations office in the theater. The same holds for defining requirements for special mail-processing equipment and for special mail-packaging needs.

Before Desert Shield, joint mail-handling operations in CENTCOM were managed by an Air Force unit, the 4401<sup>st</sup> Air Postal Squadron, stationed in Riyadh, Saudi Arabia. As the level of forces in the theater grew, the postal service infrastructure in the theater also needed to expand. This meant creating new air-mail terminals, which required adding more personnel, special mail-processing equipment, and distribution services to dispersed units. In some cases, creating new AMTs required construction of facilities that previously did not exist in the location, as happened at King Khalid Military City, Saudi Arabia.

A significant factor contributing to the problems in developing adequate mail distribution capability in the theater was the low priority placed on postal service personnel and equipment in scheduling transport to the theater. Combat-related personnel, equipment, and materiel tended to take priority over postal service functions. Therefore, although resources were dedicated to getting mail into the theater, some leadtime was required to develop the theater's mail-handling and distribution capability, resulting in some delay in distribution. Postal units deployed to the theater with insufficient special equipment to support the volume of mail sent to the theater.

## **Issues**

The USPS was one of the few civil agencies that came close to reaching the limit of its ability to support DoD needs. The huge volume of mail, maintained for an extended period, resulted in both processing personnel and equipment being worn out.

The Desert Shield experience led to the identification of several issues related to mail processing and handling. While basic coordination mechanisms exist between the USPS and MPSA, more detailed plans are required to codify the Desert Shield experience and provide a basis for planning for future major deployments. MPSA is currently developing contingency plans to retain this experience and incorporate it in future plans, but coordinated planning between the USPS and MPSA must be part of this effort.

A major concern of the USPS was getting timely and accurate estimates on the size of DoD's force and the deployment plans for the Persian Gulf area. The USPS relies on MPSA for this information and was frustrated in its attempts to get better information from MPSA. Unfortunately, like many other DoD commands, MPSA had little information on the overall operation and, therefore, could not give the USPS better estimates of the DoD force or the potential mail processing and distribution support it would need.

As a result of Desert Shield, the USPS and MPSA have undertaken a revision of the APO and FPO designation structure to make it more rational by identifying zipcode sequences associated with locations. Rather than identifying individual APOs and FPOs to be opened singly, blocks of military post offices will be activated at the start of a contingency, in order to speed up processing on the civil side.

Some issues from Desert Shield still need to be addressed. The policy regarding transportation priorities for postal personnel and equipment and the equipping of postal units in theater, still places low priority on these personnel support needs. Encouraging public outpourings of mail while not establishing a theater mail handling and distribution network will continue to create problems in future large deployments.

At the end of Desert Shield, the USPS had large numbers of controlled mail documents (e.g., registered mail or receipts for registered mail) still to be delivered to personnel no longer in the theater. Many of these personnel had been in the Reserves and were already home. A system for minimizing this postwar distribution problem is needed.

A major problem during Desert Shield was the reconciliation of Service-unique distribution requirements. While in-theater distribution is the CINC's responsibility, in Desert Shield, the USPS and MPSA were actively involved in developing methods to respond to the CINC's mail distribution needs and managing the preparation of the mail for transport to the theater. The difficulty experienced in developing a specification responsive to each Service's needs created confusion and consumed scarce resources, as well as causing delays in getting the mail to the troops.

The USPS was able to send one team of troubleshooters to the theater to help assess theater distribution needs and to provide some advice on operations. Efforts to

send additional teams later in the conflict were not successful, although the USPS perceived that the need for in-theater expertise remained.

Clearly, a major problem in Desert Shield mail processing and distribution was the lack of public awareness of the role of the USPS – and the limits of that role. As the personnel at MPSA noted, the public tended to think that there were USPS vans driving around the desert delivering mail. The public assumption was that any mail with a stamp on it was the responsibility of the USPS and that delivery schedules were the same as in CONUS. Reports of delays in delivering mail to the troops were met with public outrage and often letters and calls to Congress.

Directions to the public on major policies – such as limits on the size of packages and institution of free mail – were generally successful, as were the hot lines to MPSA and to DLA for material donations. However, the practical difficulties in ensuring that all the mail gets to its destination in a timely fashion were never fully communicated to the public, nor was the public warned that it should not be alarmed should delays in delivery occur.

The USPS and MPSA worked with theater personnel to identify special equipment needs. The USPS sent more than \$1 million worth of postal equipment to the theater. The USPS collected this equipment from around the country and purchased equipment not in existing inventory. While the equipment was dispatched in a gradual fashion, it was returned all at once to a single gateway for processing and reutilization, if possible. Lack of DoD planning for the return of USPS equipment had a negative impact on USPS operations.

Despite all of the difficulties, it is important to recognize that mail processing and distribution in Desert Shield was a major success story and exemplifies what can be accomplished by organizations that want to work together toward a common goal.

## **U.S. COAST GUARD**

The USCG, as a uniformed service of DoT, supported DoT and DoD operations both domestically and in the theater. Although an MOU is in place between DoT and DoD to transfer functions of the Coast Guard to DoD when appropriate, such a transfer was not deemed necessary during Desert Shield.

The Coast Guard is responsible for regulating the commercial maritime industry, just as the FAA regulates the commercial airline industry. Coast Guard activities in Desert Shield were primarily involved in its regulatory capacity.

### **U.S. Coast Guard Responsibilities**

The USCG provided a wide variety of support in a number of key areas. In addition to the port security support discussed in Chapter 3, the USCG provided services in several areas, including the following:

*Safety and security of cargoes and vessels originating in the United States,* including escorting vessels, enforcement of safety/security zones, supervision of cargo loading, inspections of HAZMAT cargoes, pre-stow inspections, and plan reviews.

*Interdiction training and security.* The Coast Guard provided 10 law enforcement teams to support United Nations sanctions, as well as providing law enforcement training support through four fleet training exercises for naval ships departing for the Gulf.

*Customs inspections and HAZMAT handling.* The USCG supports the U.S. Customs Service by providing in-theater preliminary review of retrograding equipment in personal effects. It is also responsible for ensuring proper preparation and handling of HAZMAT for transportation.

*Inspections of sealift vessels.* The USCG inspected the 78 activated RRF ships used in support of Desert Shield operations. These inspections were in addition to conducting the normal inspections of U.S. vessels, including MSC vessels in both the United States and overseas. Activation of the large number of RRF vessels required in Desert Shield, as well as the increased volume of MSC traffic, resulted in a significant increase in the number of marine casualty and personnel investigations conducted by Coast Guard personnel. Some field units experienced an increase in workload of as much as 300 percent.

Coast Guard regulations do not extend to inspecting foreign flag charters to the same extent as RRF ships and U.S.-owned commercial vessels are inspected. In Desert Shield, foreign flag charters were inspected for adequate onboard pollution control devices. U.S.-owned commercial charters were held to the same requirements as in peacetime.



*Merchant Marine licensing and manning.* The Coast Guard is responsible for establishing manning standards and licensing requirements for the Merchant Marine. The demand for manpower created by the activation of the RRF and increased MSC traffic required that the USCE develop a more flexible program for manning and licensing in order to expedite processing personnel applications. A variety of temporary policies were adopted in order to reduce the impact of the shortages of available seamen and to prevent delays in vessel sailings.

*Oil spill assessment.* In response to a request for support from the Government of Saudi Arabia, the Coast Guard headed a multiagency team of specialists to assess the environmental implications of the oil spills off the coasts of Kuwait and Saudi Arabia. USCG aircraft subsequently surveyed the area as part of the assessment.

### **U.S. Coast Guard Transition Actions**

Actions undertaken to support DoD operations in the Persian Gulf and CONUS were consistent with the USCG's normal responsibilities. The major difference was a substantially larger workload than normal. All DoD requests were supported, as well as the USCG's domestic responsibilities.

Personnel expansion to support this workload was accomplished primarily through activation of USCG Reserve personnel. A total of 950 Reservists were activated to participate in RRF vessel inspections, in port safety and security, and in supervising loading of HAZMAT cargoes. Approximately 550 Reservists served in three deployable port security units in the Persian Gulf.

Coast Guard headquarters and the area commands activated full-time response cells to provide necessary policy, administrative, logistics, and public affairs support, as needed. The Coast Guard Intelligence Coordination Center supported Desert Shield operations by monitoring, reviewing, and evaluating political, terrorist, military, and intelligence activity related to the operation.

### **U.S. Coast Guard/Department of Defense Coordination**

As an element of DoT, the Coast Guard participated in the DoT Crisis Action Team, attending daily briefings. Coast Guard support activities were coordinated with OET as needed. The Coast Guard maintains a liaison with MSC to ensure coordination of both peacetime and crisis response actions in support of sealift operations. In addition, the Coast Guard participates in the NPRN, discussed in

Chapter 3. During Desert Shield, regular (and at times, daily) meetings were held between the Coast Guard, MARAD, and MSC on the status of the RRF activations.

Coast Guard units operating in the Persian Gulf theater of operations were under the operational control of the Department of the Navy. Coordination for these activities was primarily through the Joint Staff crisis management staff.

### **Issues**

On the basis of its Desert Shield experience, the Coast Guard has recommended that more attention be given to expanding the DoT exercise program to focus on the lessons learned from Desert Shield, including evaluation of local Coast Guard commanders' contingency plans.

Also, on the basis of the Desert Shield experience, the MOU between the Coast Guard and MARAD on RRF activation responsibilities is being revised.

### **ENVIRONMENTAL WAIVERS**

Requests for waivers of environmental regulations have been a standard element in mobilization exercises. While the usual reply to these requests has been that "it's easier said than done," the difficulty in arranging for environmental waivers has generally been given little attention. As a result of actions in Exercise PROUD EAGLE 90, FEMA identified waivers as an issue needing more intensive interagency coordination between DoD and EPA. Efforts have been under way since then to develop a system for expediting DoD requests for environmental waivers.

The Desert Shield experience contributed to awareness of the difficulty in obtaining waivers of environmental regulations, highlighting the fact that many regulations are authorized at the state level and are not subject to national-level waivers. Efforts to address the specific requirement for waivers of state environmental laws during Desert Shield also demonstrated that waiver actions are much more complicated than is immediately apparent.

### **Environmental Protection Agency Responsibilities**

The EPA activities in Desert Shield were mostly at two levels. At the headquarters level, EPA worked with OSD and the Services primarily the Army,

and, secondarily the Air Force — on addressing policy issues. EPA also worked at the regional level with military installations in resolving environmental issues.

Major environmental issues during Desert Shield were few, primarily because of the existence of large stocks of munitions, which obviated the need to restart closed munitions production facilities. Activities focused primarily on considering the potential need for waivers or variances from major environmental legislation: the Resource Conservation and Recovery Act (RCRA), the Clean Air Act (CAA), and the Clean Water Act (CWA). Specifically, EPA worked closely with OSD and the Army on the issue of restarting TNT production at the Radford Ammunition Plant in Virginia.

Environmental questions at the installation level were handled successfully by the Army and the Air Force. The Navy had no substantial environmental issues during Desert Shield. Problems with shipyard waste products from increased ship maintenance requirements were expected, should the war have lasted longer.

#### **Environmental Protection Agency Transition Actions**

The limited requirement for EPA participation in Desert Shield did not overly burden the EPA crisis response system. EPA's crisis action center stood by as needed, and EPA's liaison office with DoD maintained close contact with OSD. At the regional level, EPA regional offices also maintained standard operations with DoD installations.

#### **Environmental Protection Agency Coordination**

The EPA was involved in extensive negotiations for the reopening of a TNT production line at the Radford Ammunition Plant. At issue is the problem of ammunition production that produces toxic wastes and the disposal of these wastes. TNT is no longer produced in the United States; most of our TNT is purchased from Canada. Normally, TNT consumption is rather low. However, Desert Shield resulted in substantial increases in TNT use, with the result that DoD initially considered the need to restart production — in case the war continued. It still must determine how best to restock the war reserves and whether it is useful to restart production at Radford. Even though production would be quite low, it would provide domestic production and surge capability.

Radford is still in production, but its TNT production line has been shut down for quite a while. TNT produces a toxic waste – Red Water – as a byproduct. Disposing of Red Water is the main problem, since it is very difficult to store or destroy. Special incinerators are needed to destroy it effectively; however, even then toxic ash is still produced, another problem. Radford does not have the appropriate incinerator. DoD is replacing the incinerator as part of a plant upgrade, but the incinerator is coming from an offshore source. Red Water would need to be processed at another incinerator, meaning that it would have to be shipped in tank cars (requiring special equipment and permits). This problem creates the potential for Radford waste to be bumped from the processing queue at the other incinerator if the incinerator owner takes priority.

Slow negotiations between the state and installation officials resulted in the involvement of representatives from EPA headquarters and the OSD environmental policy directorate.

## **Issues**

From EPA's perspective, a potential problem could have come should the war have lasted for a year, rather than the very short time it did take. For a longer conflict, the Services would probably have been confronted with massive maintenance needs having associated environmental impacts requiring more local waivers. DoD and EPA probably would have needed congressional action for legislative intervention regarding some or all of the major environmental laws, as well as some national intervention to influence the states regarding processing waiver requests for their individual environmental regulations.

Generally, EPA's involvement in Desert Shield support concentrated on accelerating and expediting the process. No major policies were waived or modified for DoD. Most of the installation-level issues were worked internally and successfully by the Army and the Air Force. By the end of the conflict, the Navy was recognizing that it might also have some environmental problems regarding ship maintenance and overhauls resulting from Desert Shield deployments. EPA and DoD continue to be concerned about the impacts of increased and intensive use of transportation in a crisis requiring more frequent maintenance of vehicles, aircraft, and vessels, thus producing toxic wastes.

## **AGRICULTURE**

The USDA supported DoD primarily in the redeployment operations following the end of Desert Storm. USDA is responsible for conducting agricultural inspections of units returning from overseas. As soon as Desert Storm was over, USDA personnel were deployed to the theater to conduct on-site inspections to provide preclearance of returning troops, supplies, and equipment and to oversee the sealing and storing of items to be shipped back to the United States. Equipment must be thoroughly cleaned and inspected for organic or inorganic matter (e.g., sand). This inspection process continued for several months while DoD forces and equipment were being removed from the theater.

The Animal and Plant Health Inspection Service of USDA is responsible for these inspections, which are consistent with the mission of the organization.

USDA played a more limited role in the use of the DPA. As a resource agency, USDA has authority to prioritize and allocate a variety of agriculture-related products. This authority is, however, rarely used. In Desert Shield, DLA requested USDA prioritization in support of acquisition of prepared meals – MORE. The shortfall was not in the actual availability of food but rather in the availability of packing equipment for preparing DoD-configured cartons. Following much discussion between DLA, DoC, and USDA, USDA and DoC prepared a joint delegation of authority to DoD to rate the necessary orders in order to ensure priority for the packing equipment.

## CHAPTER 5

### THE DEFENSE PRODUCTION ACT AND CIVIL AGENCY SUPPORT

#### BACKGROUND

The DPA has been the primary authority used by resource agencies to support the prioritization and allocation of resources (products, materials, and services) considered vital to the national interest. Used not only in a crisis, but also during peacetime, the DPA has traditionally been considered an essential tool for providing civil-sector support to DoD.

The DPA lapsed during Desert Shield; in August 1991, it was reauthorized retroactively from 20 October 1990 through 30 September 1991, and again through 1 March 1992, with the signing of PL 102-193, on 6 December 1991. It has since lapsed again.

Lapse of the DPA continues to be a major concern to various Federal departments, including DoD. Although alternative priorities authorities are available, they are more limited in scope than those provided through the DPA. The ability of the civil agencies to support DoD requirements through the DPA, or alternative authorities, is a particular concern of FEMA.

The DPA originated in 1950 as a mechanism for providing civil-sector support for the national defense. Originally consisting of seven parts or titles, within a short time the DPA was pared down to three active parts: Title I, *Priorities and Allocations*; Title III, *Expansion of Productive Capacity and Supply*; and Title VII, *General Provisions*. Of the three titles, Title I is considered the most crucial, since it is regularly used by DoD and DoE to assure the timely acquisition of defense requirements.

Executive Order 10480, "Further Providing for the Administration of the Defense Mobilization Program," is the vehicle by which the President delegates authority for administering the DPA to the Federal resource agencies via the Director of FEMA. Departmental responsibilities are identified by type of

resource – Energy is responsible for energy resources; Agriculture for food, farm equipment, and fertilizers; Transportation for transportation resources and port facilities; and Commerce for all other materials.

#### **THE DEFENSE PRODUCTION ACT AND THE DEFENSE PRIORITIES AND ALLOCATIONS SYSTEM**

Title I of the DPA is the most frequently used part of the Act. It allows defense and energy contracts to be given preference over other contracts, and it authorizes allocation of materials and facilities to support defense and energy needs. Four agencies have authority delegated through Executive Order 10480 to use the DPA: the Departments of Agriculture, Commerce, and Transportation and what became the Department of Energy. The tool for implementing the DPA in DoC is the DPAS. DoC created the DPAS to implement the Department's responsibility under the DPA for managing industrial resources in support of approved national defense energy programs. DoC, in turn, has delegated authority to rate orders for the acquisition of material to DoD, to DoE (for nuclear weapons) to the GSA Federal Supply Service, and to FEMA (for support of civil defense and continuity of government).

Under the DPAS, priority ratings are applied to orders for approved programs. These rated orders then take precedence over unrated orders. Two ratings are available – DO or DX, with DX-rated orders taking precedence over DO ratings.

Commerce also assists in resolving conflicts regarding industrial priorities, upon request by either the claimant – DoD or DoE – or the contractor. The mechanism for documenting the need for special priorities assistance is Form BXA 999, completed by the sponsoring Government agency for each case.

#### **LAPSE OF THE DEFENSE PRODUCTION ACT AND EXECUTIVE ORDER 12742**

The DPA of 1950 is temporary legislation that must be periodically extended by Congress. After two short-term extensions during 1990, the Act lapsed on 20 October 1990, in the midst of Operation Desert Shield.

Following the lapse of the DPA, interagency efforts turned to working with the more limited authorities available through the Selective Service Act and with selected other authorities. While it was generally agreed that reauthorization of the DPA was the most desirable course of action, the executive branch adopted the position of "a bird in the hand." The Selective Service Act provides for prioritization

authority only, and since it is permanent legislation, unlike the DPA, it is less vulnerable to congressional revision.

The approach taken was to work with those authorities already in effect and to develop a vehicle for delegating them through the easier course of an Executive Order, rather than pursuing the more difficult route of new legislation. Supporting this approach was the shift from focusing on extending the short-term DPA (an approach essentially dead, given the congressional recess in the fall of 1990) to concentrating on the more problematic long-term revised version also being worked on by Congress, the DPA of 1990 (and subsequently 1991). The latter, a major revision of the DPA, includes several very contentious provisions.

Using the mechanism of the FEMA-chaired Policy Coordinating Committee, the civil agencies and DoD met throughout the autumn of 1990 to draft EO 12742, implementing the selected provisions of the Selective Service Act of 1948 and/or other acts.<sup>1</sup>

On 8 January 1991, EO 12742 was signed, delegating authority for the use of Section 18 of the Selective Service Act for the purpose of prioritizing the acquisition of defense items and materials. While the Selective Service Act had been legally in effect ever since its original passage in 1948, these authorities had never been used. EO 12742 was intended to delegate the authority from the President to the Departments in order to make the authority usable.

During the interregnum between the lapse of the DPA and the signing of EO 12742, DoC, DoD, DoT, and other Federal agencies authorized to use the DPA continued to operate as if the DPA were in place. The lapse of the Act was not publicized to the contractor community. Agencies operated in this manner because it was possible that the Act might be imminently reauthorized.

There appears to have been little desire on the part of DoD contractors to argue with this approach, largely because of the widespread public support for Desert Shield. Some agencies adopted the position that continuing to prioritize orders (as under the DPA) was legal because of the availability of the alternative authority of

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<sup>1</sup>EO 12742 delegates authority for the following provisions: 50 U.S. Code App. 468, the Military Selective Service Act; 50 U.S. Code 82, War and National Defense, Procurement of Ships and Material During War; and 10 U.S. Code 4501 and 9501, Armed Forces, Army and Air Force Procurement – Industrial mobilization: orders, priorities, possession of manufacturing plants, violations.



the Selective Service Act. This position may be debatable, since without the delegations provided in EO 12742, the authority to use the Selective Service Act's prioritization provisions rests solely with the President. In addition, the authorities delegated through EO 12742 do not provide the same scope as is provided by the DPA.

The existence of the authorities cited in EO 12742 was not widely known outside of DoD before October 1990 and was little understood by the community even after EO 12742 was signed.

## **CURRENT STATUS OF THE DEFENSE PRODUCTION ACT**

In August 1991, the President signed legislation reenacting the DPA for the period from 20 October 1990 through 30 September 1991. This extension subsequently lapsed and was extended retroactively from 1 October 1991 to 1 March 1992; with the last extension also lapsing. This legislation includes several minor technical amendments relating to special DoE concerns regarding the application of the DPA to services and to conflicts of interest in the DoE NDER. It also formalized and made permanent Section 721, also known as the Exon-Florio Amendment.

In a separate legislative package, Congress is considering a multiyear extension of the DPA that would also substantially revise the Act. This legislation is currently being considered by both houses of Congress. It has been the subject of much debate, because it includes several provisions considered to be beyond the fundamental purpose of the DPA, addressing "industrial policy" issues.

With the ending of the most recent extension, the DPA has lapsed again. The Act's future is uncertain. The differences regarding the provisions of the long-term DPA have still to be reconciled between the various congressional committees. Congress expects to revisit renewing the DPA. Having successfully used the strategy of retroactively authorizing actions taken during the interregnum and post-Desert Shield period, Congress appears to intend to use this approach for sanctioning actions taken following the current lapse of the DPA.

In Desert Shield, many organizations made the informal decision to continue to act as if the DPA were still in effect deeming this approach risky, but acceptable given the necessity to support the war, and the wide public support for U.S. intervention. Manufacturers also gave extensive and timely support to the effort and

do not appear to have questioned the continued rating of orders. With the ending of Desert Storm, the necessity to support the war, and the atmosphere of public support for DoD's war efforts, no longer exist. The alternative authorities under EO 12742 do not cover certain types of support. Although the DPAS has been republished and appropriately modified to support the Selective Service Act and related authorities, the newly delegated authorities do not provide for certain important types of support, particularly the provision of transportation facilities and services. DoD and DoT in the future may, therefore, have some difficulty in obtaining the support available under the DPA and during Desert Shield. While authority to rate orders remains for DoD, DoE, and GSA, FEMA's responsibility for civil defense and continuity of government are not applicable under the EO 12742 authorities.

#### **THE DEFENSE PRODUCTION ACT VERSUS EXECUTIVE ORDER 12742 AUTHORITIES**

As noted before, EO 10480 delegating the authority of the DPA and EO 12742 do not provide the same authorities. They have in common the capability of prioritizing the production and delivery of items and equipment for DoD. However, other potentially critical differences exist limiting use of the prioritization authority, in addition to the total absence of resource allocation authority via EO 12742. Table 5-1 summarizes the major differences between the two sets of authorities.

Some of the apparent differences between these authorities are subject to interpretation. At issue is whether laws are prescriptive or proscriptive. If prescriptive, then some of the authorities explicitly stated in the DPA could be implied in the EO 12742 authorities, because they are not explicitly eliminated (e.g., protection against claims). If the laws are proscriptive, then failure to explicitly allow for protection against claims means that it is absolutely not covered. Interpretation is in the eye of the beholder and may need to be resolved through the courts.

Although energy products and other DoE needs are not addressed by the authorities cited in EO 12742, any article of material for the exclusive use of the armed forces would be covered, including CRAF fuel prioritized by DoE. DoE also has authority to rate orders for nuclear weapons. Rating orders to support energy projects, however, is not allowable under the EO 12742 authorities.

**TABLE 5-1**

**EO 10480 VERSUS EO 12742 AUTHORITIES**

EO 10480 authorities	EO 12742 authorities <sup>a</sup>
<p>Used "to provide for the national defense and national security"</p> <p>Broad authorities for priorities and allocation</p> <p>Used for acquiring materials and supporting services</p> <p>Supports needs of U.S. and allied forces</p> <p>Provides explicit injunctive relief and protection against claims</p> <p>Delegates authority among resource agencies</p> <p>No defined appeal mechanism</p> <p>Authorizes National Defense Executive Reserve (NDER)</p> <p>Authorizes collection of information that supports industrial base studies</p> <p>Defines FEMA's role</p> <p>Temporary legislation with selected permanent provisions</p>	<p>Mixed conditions for use: "in the interest of national security," "in time of war," "when war is imminent"</p> <p>Provides priority authority only</p> <p>Applies to acquisitions of products, articles, and materials only</p> <p>Supports U.S. forces only</p> <p>No injunctive relief or explicit protection against claims</p> <p>Gives some control to DoD as well as to resource agencies</p> <p>Defines explicit appeal mechanism</p> <p>No authority for an NDER</p> <p>No authority for information collection</p> <p>No role specified for FEMA</p> <p>Permanent authorities</p>

<sup>a</sup> EO 12742 delegates authority for the following provisions: 50 U.S. Code App. 468, the Military Selective Service Act; 50 U.S. Code 82, War and National Defense, Procurement of Ships and Material During War; and 10 U.S. Code 4501 and 9501, Armed Forces, Army and Air Force Procurement - Industrial mobilization: orders, priorities, possession of manufacturing plants violations.

In addition to using the DPA to develop energy projects, DoE may also have occasion to use Title I to address spot fuel shortages associated with execution of the CRAF program. While Title I was not actually used in this way in Desert Shield, the potential need to prioritize fuel at specific locations to support CRAF program requirements in excess of normal use rates could have occurred.

By far the most significant concern regarding the limitations of the alternative authorities resides in DoT. None of the support conventionally provided to DoD by DoT is authorized through the EO 12742 authorities.

MARAD relies on the DPA for a key emergency authority - the ability to prioritize and allocate port facilities, services, containers, and vessels. This authority

is provided through 46 CFR 340, under the auspices of the DPA, and is considered the most critical of MARAD's three emergency authorities, since it provides the capability to control facilities in a crisis. With the lapsing of the DPA, MARAD loses this authority.

The authority to prioritize facilities is triggered with the deployment of military forces in support of military operations (excluding exercises or training). As with other priority and allocation authorities associated with the DPA, MARAD would use this authority after MTMC had already attempted to obtain the facilities, services, etc., through conventional commercial means. Only after unsuccessful attempts would MTMC then go to MARAD and request intervention. The goal is to have minimum disruption of commercial business while supporting DoD needs.

This authority is important to MARAD for three reasons:

1. It establishes a system whereby terminal owners are made aware of the potential need for the Federal Government to have control of their assets in a crisis and their options for protesting this. (They are not, however, indemnified under this authority.)
2. It creates a basis for MTMC to negotiate on a "business as usual" basis with the terminal owners rather than relying on emergency intervention, since MTMC must demonstrate that serious efforts have been made and justify the need for the intervention.
3. It creates an environment in which the terminal owner also negotiates in good faith because the authority hangs over his head as an ultimate threat, whereby the Government can step in and seize control for as long as needed.

During Desert Shield, this authority was used only once, to maintain a ship on berth beyond the originally planned time. As with other agencies, the lapse of the DPA was not publicized initially by MARAD. As needed, MARAD would have continued to issue orders.

## **CHAPTER 6**

### **FEMA SPECIAL CONCERNS**

#### **FEMA PARTICIPATION IN DESERT SHIELD**

FEMA fills a critical niche in the Federal emergency preparedness community. Its mission is to advise, coordinate, and facilitate, rather than to control. Many of its national security emergency preparedness responsibilities are involved in peacetime efforts to prepare for a crisis, rather than in wartime operations. A major exception is in the area of priorities and allocation of resources through the DPA.

FEMA's participation is determined by the nature of the crisis. A crisis placing more intensive stress on the civil sector, requiring prioritization between domestic and military needs, would demand greater FEMA involvement. A crisis of longer duration, taxing the civil sector to support more protracted defense efforts, would also demand greater FEMA involvement. The relatively limited nature of Desert Shield resulted in a relatively limited role for FEMA.

Despite the somewhat restricted role of the civil sector and civil agencies in Desert Shield, FEMA participated in several key ways in facilitating interagency coordination, as follows:

- Preparing the Civil Situation Report
- Drafting legislation and EOs
- Chairing the Policy Coordinating Committee (PCC)
- Providing implementing policy guidance.

#### **Civil Situation Report**

The civil SITREP is a status report summarizing DoD activities and highlighting events and initiatives under way in the civil sector and agencies. It is intended to inform civil agency and DoD participants and is a key element in interagency communication in both exercises and real crises.

FEMA develops the civil SITREP from various sources, collecting inputs from the civil agencies and monitoring the crisis through the OSD Crisis Coordination Center (CCC). The latter is FEMA's principal window into DoD activities.

FEMA relies heavily on its relationship with OSD policy organizations for DoD access. That relationship defines the availability of DoD information to FEMA, in that the information available through the OSD CCC represents most of the DoD-provided information FEMA receives. If the OSD CCC does not receive the information, then it is also likely that FEMA will not.

The civil SITREP received mixed reviews from the civil agency representatives – some thought it very useful while others felt it superfluous. The individual's crisis response role seems to be the basis for these attitudes. Those who were primarily involved in policy making and mobilization planning, who had less operational access, tended to appreciate the civil SITREP and viewed it as an important source of status information. They also tended to be more appreciative of the agency staff briefings as sources of information. People with largely operational responsibilities saw little value in the civil SITREP, since they believed that through their own DoD contacts, they had as good a picture of the crisis as they were likely to get. Some of the agency operational personnel were unfamiliar with the civil SITREP and had little interest in pursuing it, being preoccupied with operational duties.

The operational personnel tended to see the need to develop inputs to the civil SITREP and, in some cases, the staff briefings, as intrusive, distracting them from their more immediate – and more important – concerns.

None of the individuals interviewed for this study had recommendations on how the civil SITREP could be improved. Those who like it, like it the way it is, and those who do not find it useful, seemed unlikely to change.

### **Draft Legislation and Executive Orders**

The primary legislative issue involving FEMA during Desert Shield was the impending lapse of the DPA. As discussed in Chapter 5, the loss of the DPA was of great importance to all of the agencies – civil and defense – involved in resource acquisition. FEMA took the lead in pursuing a variety of approaches for developing legislative packages supporting extension of the DPA and enhancing the effectiveness of certain DPA authorities in responding to the crisis. The agency also

supported drafting executive orders through staff coordination with Congress and, as discussed below, through the PCC.

### **Policy Coordinating Committee**

A principal interagency forum within the National Security Council structure is the PCC. Nineteen specialized PCCs are organized to address particular topical areas, such as mobilization, counterterrorism, or regional issues. Membership in a particular PCC usually involves only those agencies with relevant mission responsibilities, although the actual membership is not prescribed. The PCC on Emergency Preparedness/Mobilization Planning (EP/MP) is the successor to previous interagency mobilization organizations. Chaired by FEMA, the PCC on EP/MP is comprised of representatives from 11 Departments and agencies with emergency preparedness responsibilities.

During Desert Shield, the mobilization working group, a subordinate element of the PCC (EP/MP), met intermittently throughout the crisis to keep apprised of resource issues, particularly the reenactment of the DPA. It was through this working group that representatives from the resource and claimant agencies coordinated efforts to consider how best to respond to the loss of the DPA.

Initially, efforts focused on issues associated with extending the DPA of 1950 and with the revised DPA of 1990 (the latter being the major revision of the DPA being considered in Congress). Following the lapse of the DPA, PCC efforts were directed toward developing an Executive Order delegating the authorities of the Selective Service Act and others.

The draft EO 12742 was prepared and presented for executive review in December 1990 and was signed on 8 January 1991. Following this milestone, PCC interests focused on monitoring the status of the conflict and on particular resource issues, such as transportation.

### **Policy Guidance**

As part of its responsibilities under EO 12656, "Assignment of Emergency Preparedness Responsibilities," FEMA provides formal guidance to Departments and agencies of the Federal Government on the interpretation and implementation of policy. This formal guidance may ultimately take the form of revisions to the Code of

Federal Regulations, or it may be provided through Federal Preparedness Circulars, etc. The lead time for preparing this guidance may be as long as a year.

In an actual crisis, the policy guidance is more likely to be less formal, taking the form of participating in meetings and preparing memoranda or papers summarizing the policy and related issues. In Desert Shield, FEMA provided this type of guidance to various Departments and agencies on several issues, including the use of defense prioritization authority to support the increased acquisition of Meals Ready to Eat (MREs). As discussed earlier, resolution of shortfalls in production of MREs ultimately involved USDA, DoC, DLA, and FEMA.

### **GRADUATED MOBILIZATION RESPONSE IN DESERT SHIELD**

GMR is intended as the basis on which agency emergency actions are to be developed, integrated, and organized so to more effectively utilize early intelligence warning and direct responses in a crisis. Structuring agency responses is intended to mitigate the impact of an event or crisis and reduce significantly the lead time associated with full national security emergency action implementation.

At the current stage of development, GMR consists of a basic concept describing a three-stage structure and summary level plans. The three-stage structure is to be the basis for organizing the agency crisis response actions. Still to be developed are detailed, agency-specific plans structuring actual steps agencies would take to gradually mobilize their resources.

GMR has its origins in a National Security Council priority statement made in 1987 and has since been cited in EO 12656 and in the Code of Federal Regulations as well as institutionalized in FPG-2. Since that time, FEMA has taken the lead in developing the GMR concept and the associated system for structuring crisis responses. Working with those agencies having national security emergency preparedness roles, FEMA has developed and disseminated general interagency guidance on the uses of GMR, and the development of graduated mobilization emergency response measures, developing agency GMR plans and costed option packages, etc.

Development of agency GMR plans describing the actions an agency could take to respond to a national security emergency has been limited. While the term is familiar to many in the crisis management/mobilization preparedness community,



Desert Shield demonstrated that there is still substantial confusion about what "GMR" means.

This confusion consists primarily over whether GMR is an alternative, discrete decision *structure* or a *process* for preparing for and responding to a crisis. Frequently held beliefs expressed with regard to GMR in Desert Shield were that "GMR was not used" or that "no decision to use GMR was made." Both responses show that the concept of GMR as a process into which all crisis response actions fit is not universally understood. Rather, there seems to be a perception that some discrete decision will be made to switch over to the GMR decision structure at some specific time.

Not all agencies have identified and structured their crisis response actions in terms of the three-stage GMR process. Thus, many individuals may have heard of GMR but are unfamiliar with the specifics. It is clear, however, that all of the steps taken by agencies to respond to Desert Shield needs can be applied to the GMR structure. Among these actions are the following:

- Activate the crisis action center
- Institute special staff briefings
- Identify a primary point of contact
- Convene special agency working groups
- Convene/participate in special interagency working groups
- Review emergency action packages and plans
- Review requirements statements
- Identify surge/critical items and resource shortfalls
- Institute special communications mechanisms for identifying issues (telephone conference calls, hotlines to key individuals, assigning key personnel mobile phones, etc.)
- Streamline administrative procedures to expedite handling actions
- Alert suppliers to the potential need to surge
- Develop estimates of funding requirements.

Some understanding of GMR can be found in pockets throughout the civil agencies. However, true understanding of the concept as a foundational approach to crisis response planning is most frequently limited to those individuals actually working on the plans. The current need to revise mobilization planning and to incorporate the emerging concept of reconstitution in both the DoD and civil agency planning creates a potentially greater need for GMR plans, as resources become more constrained, and while a managed long-term response becomes a greater possibility. More intensive education and development efforts are needed to produce agency plans in order to have broad acceptance and use of GMR in an interagency environment.

### **THE PCC AS AN INTERAGENCY FORUM**

The major issue confronting the PCC in Desert Shield was the loss of the DPA. From August 1990 through February 1991, the PCC (EP/MP) mobilization working group met to consider how best to respond to several issues: the proposed revision of the DPA of 1950 being considered in Congress, the DPA of 1990; the implications for the agencies following the lapse of the act; and the need to develop a consensus on the draft executive order for delegating the alternate prioritization authorities found in the Selective Service Act, etc. Although other PCC working groups met during the course of the conflict, the mobilization working group was the focus of most PCC activities.

On the basis of the views expressed during this study, the PCC was generally seen as an effective forum for bringing the various agencies together and airing views. It had the advantage for the civil agencies of providing an equitable forum for addressing joint civil agency and DoD issues, limiting the opportunity for DoD to dominate the development of solutions. For this reason, FEMA generally was seen as an honest broker by civil agencies, less so by DoD.

A widely held belief is that FEMA is the most appropriate agency to fill the necessary role of interagency mediator – since it has very limited operational responsibilities, is not responsible for critical defense-required resources, is not a claimant in defense crises, and is experienced in managing in an interagency environment.

Differences in perspective regarding agency roles and missions in a defense-related crisis constituted a major factor dominating interactions between the agencies in the PCC. As discussed in Chapter 2, differences exist in the interpretation of the role of the civil agencies and the priorities that should be adopted with regard to balancing DoD and civilian needs.

The effectiveness of FEMA as an interagency mediator was perceived by some as being hampered by the fact that its authority to resolve disputes is limited. The agency's role in the PCC was that of facilitator, rather than that of arbitrator. If the agencies could not come to a consensus through this forum, then other avenues would be required. This shortcoming was seen as potentially prolonging the process and creating opportunities for making proposals outside of the interagency process.

Although a consensus regarding the major elements of EO 12742 was ultimately developed through the PCC process, differences between agencies over missions, priorities, and roles remain unresolved. Lack of appreciation for other agencies' priorities and interpretations of roles and missions continues. The need remains to develop (1) mechanisms to further educate participants on different agency perspectives, and (2) a forum in which to air these differences.

## **EXERCISES VERSUS REALITY**

A particular concern for agencies is, and has been, the issue of how well exercises simulate reality. For those agencies without substantial roles in disaster preparedness and response, exercises are the primary source of training in the organization's crisis response role. For several agencies, the Desert Shield experience showed that there were significant differences between exercises and reality.

The single greatest problem identified by the civil agencies in this study was availability of timely and accurate information on DoD's plans, on the status of the operation, and on future requirements. This issue transcended individual agency differences, since the civil agency representatives generally felt they had inadequate information from DoD with which to plan, prepare, and provide support DoD would ultimately need.

Information on DoD's near-term and long-term plans for the phasing of the deployment, on the status of particular resources and related needs, and on the

ultimate size of the force and similar data were identified as critical shortfalls by OET, the FAA, and USPS, in particular.

During Desert Shield, as DoD became less forthcoming in providing information, the personnel in the civil agencies became less confident that they would have adequate time to respond should Defense's requirements exceed their current capability. Long after the conflict was over, agency personnel still had little confidence that DoD had been as open as it could and should have been about emerging defense support needs.

The agencies have two main sources of information during a crisis. The first is the FEMA civil SITREP, which provides an overview of the conflict and the status of various aspects of civil sector activities. The second, and preferred source is actual contact with DoD organizations, which may provide more detailed information on the status of the operation and DoD's requirements, either formally or informally.

In exercises, both sources of information - FEMA and DoD participants - furnish more complete information on the status of the conflict than either was actually able to provide during Desert Shield. Additionally, fewer restrictions are placed on distribution of situation reports and other status reports. In exercises, civil agencies have access not only to the civil SITREP, but also to message traffic through the WIMEX communications network.

During Desert Shield, normal and expected channels of communication between agency operational organizations and their corresponding organizations in DoD were severely constrained. While OET and the FAA normally are addressees for selected situation reports in exercises, in Desert Shield they had no access to this information early in the crisis. In this respect, exercise experience was significantly different from actual experience. This problem has not been resolved.

As the conflict progressed, limits were imposed on the availability of information through the OSD CCC, as well, limiting FEMA's resources for developing the civil SITREP. The result was that DoD information sources considered reliable in peacetime and in exercises were largely closed during the actual operation. One result was that some agencies felt that they had been given inadequate warning of major DoD resource demands, such as the activation of

CRAF II. Most civil agencies expressed dissatisfaction with the information flow between themselves and DoD.

In some cases, agency personnel were sufficiently familiar with DoD operations to recognize that many DoD organizations themselves did not have access to immediate and reliable status information. Various reports on lessons learned from Operations Desert Shield and Desert Storm have documented the great degree of uncertainty within DoD regarding emerging resource requirements.

Critical resource requirements, such as airlift and sealift, were subject to rapid and substantial changes in estimated needs with little notice. The adoption of a "close hold" policy on the deployment plans resulted in most DoD organizations having only a limited view of the operation. This limited view also limited the guidance they could pass on to the civil agencies with which they worked.

In exercises, such limitations are largely excluded from consideration. The emphasis is on evaluating the adequacy of policies and procedures rather than on replicating the "fog of war." This uncertainty is, however, an important issue for the participants, since it affects their ability to define and support requirements. At worst, it may simply be something they have to accept as part of the frustration and reality of war.

It should be noted that a fundamental issue, not answerable in this study, is how much information the civil agencies really need in order to support DoD in crises. While most participants *want* to know as much as possible about what is happening – not everyone *needs* to have the details. DoD and the civil agencies need to address the issue of information availability in a crisis, specifically – what information could be available, what is likely to be unavailable or uncertain, and what information is likely to be releasable.

## **CHAPTER 7**

### **CONCLUSIONS AND RECOMMENDATIONS**

On the basis of our assessment of the support provided by the civil agencies in Desert Shield and Desert Storm we conclude the following.

Civil agencies were largely successful in providing timely and constructive support to DoD. Personnel and organizations effectively made the transition from normal peacetime operations to crisis response in reaction to evolving DoD needs.

The agencies providing crucial support to DoD were able to accomplish this transition through the use of existing crisis response mechanisms – including policies, plans, and procedures – created before Desert Shield. An important element of this crisis response capability was the availability of experienced personnel, familiar with their agency's crisis response roles and responsibilities.

Previous investment in developing emergency preparedness capabilities in the civil agencies paid off in Desert Shield, particularly for those agencies with both natural disaster and national security emergency training and experience. Through both actual experience and exercises (before and during Desert Shield), DoE, DoT, GSA, and the USPS were able to train people to adapt operations to the increased requirements of the crisis, identifying problems and developing solutions, in some cases even before the problem occurred.

A major factor adversely affecting the development of the agencies' crisis responses in Desert Shield and Desert Storm was DoD's uncertainty about the magnitude of its needs and the timing of its requirements. DoD's difficulty early in the operation in communicating projected requirements for support in such areas as transportation and mail processing hampered DoT and the USPS in responding and providing the magnitude of support DoD ultimately needed. However, despite the confusion and uncertainty, the agencies and DoD were able to identify and successfully address the needs of the military for most categories of support.

The ability of civil agencies to provide the needed support to DoD in a crisis cannot be maintained without continued attention and emphasis within the civil

agencies and DoD. It is possible that current world conditions have reduced the immediate threats to U.S. interests that would require a military response of the magnitude of Desert Shield/Desert Storm. Since this is, however, by no means certain, DoD still needs to prepare to obtain civil agency support in crises, and the civil agencies must still retain the ability to provide that support. Efforts must continue, therefore, to adjust civil agency and DoD planning to identify and plan for such support.

Although the civil agencies were successful overall in supporting DoD in Desert Shield, the experience did highlight the need for improved understanding between the resource agencies and DoD regarding information needs and interagency coordination in a crisis. The participants need to identify and – to the degree possible – resolve differences in this area.

We also believe that continuing attention must be given to maintaining the emergency response capabilities of the civil agencies. Changes in the world situation, as well as changes in DoD planning for the future, must be taken into account in civil agency planning for a crisis. We recommend, therefore, that FEMA assume the lead in taking the following steps:

First, assess the impact that changes in national strategy will have on civil agency roles and support missions.

Second, examine the relationships between agency crisis response planning, reconstitution, and mobilization planning based on the GMR concept.

Third, examine the relationships among resource and claimant agencies regarding prioritization responsibilities and related emergency authorities.

Fourth, ensure timely information exchange and coordination between the civil agencies and DoD in a crisis.

Fifth, explore options for improving and/or expanding civil agency and DoD exercising of crisis response coordination mechanisms.

Sixth, explore options for increasing the use and effectiveness of the PCC as an interagency forum for improving interagency understanding in peacetime and for sharing agency concerns in a crisis.

## **GLOSSARY**

<b>AMC</b>	<b>=</b>	<b>Army Materiel Command</b>
<b>AMTs</b>	<b>=</b>	<b>air mail terminals</b>
<b>APF</b>	<b>=</b>	<b>Afloat Prepositioned Force</b>
<b>APOs</b>	<b>=</b>	<b>Army Post Offices</b>
<b>APOEs</b>	<b>=</b>	<b>aerial ports of embarkation</b>
<b>CAA</b>	<b>=</b>	<b>Clean Air Act</b>
<b>CARC</b>	<b>=</b>	<b>Chemical Agent Resistant Coating</b>
<b>CCC</b>	<b>=</b>	<b>Crisis Coordination Center</b>
<b>CENTCOM</b>	<b>=</b>	<b>Central Command</b>
<b>CFR</b>	<b>=</b>	<b>Code of Federal Regulations</b>
<b>CINC</b>	<b>=</b>	<b>Commander-in-Chief</b>
<b>CRAF</b>	<b>=</b>	<b>Civil Reserve Air Fleet</b>
<b>CWA</b>	<b>=</b>	<b>Clean Water Act</b>
<b>DFSC</b>	<b>=</b>	<b>Defense Fuel Supply Center</b>
<b>DLA</b>	<b>=</b>	<b>Defense Logistics Agency</b>
<b>DoC</b>	<b>=</b>	<b>Department of Commerce</b>
<b>DoE</b>	<b>=</b>	<b>Department of Energy</b>
<b>DoI</b>	<b>=</b>	<b>Department of Interior</b>
<b>DOMS</b>	<b>=</b>	<b>Domestic Office of Military Support</b>
<b>DoT</b>	<b>=</b>	<b>Department of Transportation</b>
<b>DPA</b>	<b>=</b>	<b>Defense Production Act</b>
<b>DPAS</b>	<b>=</b>	<b>Defense Priorities and Allocations System</b>
<b>EO</b>	<b>=</b>	<b>Executive Order</b>



<b>EP/MP</b>	<b>=</b>	<b>Emergency Preparedness/Mobilization Planning</b>
<b>EPA</b>	<b>=</b>	<b>Environmental Protection Agency</b>
<b>FAA</b>	<b>=</b>	<b>Federal Aviation Administration</b>
<b>FEMA</b>	<b>=</b>	<b>Federal Emergency Management Agency</b>
<b>FORSCOM</b>	<b>=</b>	<b>Forces Command</b>
<b>FPC</b>	<b>=</b>	<b>Federal Port Controller</b>
<b>FPOs</b>	<b>=</b>	<b>Fleet Post Offices</b>
<b>FSS</b>	<b>=</b>	<b>Fast Sealift Ships</b>
<b>FSS</b>	<b>=</b>	<b>Federal Supply Service</b>
<b>GMR</b>	<b>=</b>	<b>Graduated Mobilization Response</b>
<b>GSA</b>	<b>=</b>	<b>General Services Administration</b>
<b>HAZMAT</b>	<b>=</b>	<b>hazardous material</b>
<b>ICC</b>	<b>=</b>	<b>Interstate Commerce Commission</b>
<b>IRMS</b>	<b>=</b>	<b>Information Resources Management Service</b>
<b>JOPES</b>	<b>=</b>	<b>Joint Operation Planning and Execution System</b>
<b>LMI</b>	<b>=</b>	<b>Logistics Management Institute</b>
<b>MAC</b>	<b>=</b>	<b>Military Airlift Command</b>
<b>MARAD</b>	<b>=</b>	<b>Maritime Administration</b>
<b>MOA</b>	<b>=</b>	<b>memorandum of agreement</b>
<b>MORE</b>	<b>=</b>	<b>Meals-Ordered-Ready-to-Eat</b>
<b>MOU</b>	<b>=</b>	<b>memorandum of understanding</b>
<b>MPS</b>	<b>=</b>	<b>Maritime Prepositioned Ships</b>
<b>MPSA</b>	<b>=</b>	<b>Military Postal Service Agency</b>
<b>MREs</b>	<b>=</b>	<b>Meals-Ready-to-Eat</b>
<b>MSC</b>	<b>=</b>	<b>Military Sealift Command</b>
<b>MTMC</b>	<b>=</b>	<b>Military Traffic Management Command</b>
<b>NCS</b>	<b>=</b>	<b>National Communications System</b>

NCS	=	Naval Control of Shipping
NDRF	=	National Defense Reserve Fleet
NPRN	=	National Port Readiness Network
NPRSG	=	National Port Readiness Steering Group
NPRWG	=	National Port Readiness Working Group
NYMEX	=	New York Mercantile Exchange
OASD(P&L)	=	Office of the Assistant Secretary of Defense (Production and Logistics)
OET	=	Office of Emergency Transportation
OSD	=	Office of the Secretary of Defense
PCC	=	Policy Coordinating Committee
POL	=	petroleum, oil, and lubricant
POWs	=	prisoners of war
PRC	=	Port Readiness Committee
RCRA	=	Resource Conservation and Recovery Act
RRF	=	Ready Reserve Force
RSPA	=	Research and Special Programs Administration
SITREP	=	Situation Report
SMESA	=	Special Middle East Shipping Agreement
SPR	=	Strategic Petroleum Reserve
SRP	=	Sealift Readiness Program
USACE	=	U.S. Army Corps of Engineers
USDA	=	Department of Agriculture
USCG	=	U.S. Coast Guard
USPS	=	U.S. Postal Service
USTRANSCOM	=	U.S. Transportation Command

# **APPENDIX** **DESERT SHIELD/DESERT STORM CRITICAL DATES**

Date	Event
2 August 1990	Iraq invades Kuwait President declares national emergency
4 August 1990	President decides on military response
7 August 1990	Phase I – first combat units deployed
9 August 1990	Decision made to use Ready Reserve Force (RRF) ships to support lift requirements
10 August 1990	First 10 RRF ships activated
17 August 1990	CRAF I activated
22 August 1990	Selected Reserve call-up authorized
24 August 1990	Feed and Forage Act invoked
26 August 1990	124 <sup>th</sup> Postal Company deployed, first Reserve Component unit to deploy
7 September 1990	Secretary of Defense reports 100,000 U.S. personnel in the Persian Gulf theater of operations
2 October 1990	Secretary of Defense reports 200,000 U.S. personnel and 54 ships in Persian Gulf area
20 October 1990	Defense Production Act lapses
8 November 1990	Phase II begins – President announces the deployment of additional forces to the Persian Gulf
December	Mail to U.S. forces in Persian Gulf peaks at 600,000 lbs per day
8 January 1991	Executive Order 12742 signed
16 January 1991	Operation Desert Storm begins CRAF II activated
24 February 1991	Ground campaign begins
28 February 1991	Ground campaign ends
2 March 1991	Chairman, Joint Chiefs, issues redeployment order
7 April 1991	Operation PROVIDE COMFORT commences
12 April 1991	United Nations issues formal cease-fire resolution

**Note:** CRAF = Civil Reserve Air Fleet.